



**uniongas**

A Spectra Energy Company

September 21, 2007

Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**Re: Multi-Year Incentive Rate Regulation for Natural Gas Utilities  
EB-2007-0606**

Dear Ms. Walli:

Enclosed, please find:

- Updated Exhibit List
- Exhibit D, Tab 1, Exhibit D, Tab 2 and Exhibit D, Tab 3 – 2008 Rate Proposals

pertaining to Union's application for an order approving a multi-year incentive rate mechanism to determine rates for Union's regulated gas distribution, transmission and storage services effective January 1, 2008.

Yours truly,

[original signed by Joanne Clark for]

Mike Packer, CMA, CIM  
Director, Regulatory Affairs

Enclosure

cc: All Intervenors  
Michael Penny, Torys

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- 2    Application

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- 2    Supplemental Weather Normalization Evidence - pp. 8, 10-11 updated September 4, 2007

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- 3/16/33 BOMA/LPMA/WGSPG
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## **2008 RATE PROPOSALS**

The purpose of this evidence is to describe Union's 2008 rate proposals and to provide an overview of the supporting appendices and schedules. The proposed rates which appear at Exhibit D, Tab 2 and Exhibit D, Tab 3 are consistent with Union's evidence provided at Exhibit B, Tab 1.

This evidence addresses the following:

1. Rate-Related Changes Associated with Items Previously Approved by the Board
  - a. Implementation of the New Rate M1 and the New Rate M2 Classes
  - b. Gas Distribution Access Rule ("GDAR") Implementation
  - c. Treatment of Demand Side Management ("DSM") Costs
  - d. NGEIR Implementation
  - e. Lost Revenue Adjustment Mechanism ("LRAM")
2. Rate-Related Changes Associated with Union's Incentive Regulation Plan
  - a. Application of the Price Cap Index ("PCI")
  - b. Weather Normalization Method Change
  - c. Treatment of Forecast S&T Margin
3. Overview of Appendices and Schedules in Support of Proposed 2008 Rates

### **RATE-RELATED CHANGES ASSOCIATED WITH ITEMS PREVIOUSLY APPROVED BY THE BOARD**

As indicated in Exhibit B, Tab 1, Union is proposing to adjust current rates to recognize a number of items previously approved by the Board. These items are discussed in more detail below.

Implementation of the New Rate M1 and the New Rate M2 Classes

In response to the Board's directive in RP-2003-0063 to conduct a cost allocation and rate design review of the M2 rate class, Union proposed in the EB-2005-0520 proceeding to replace the existing M2 rate class with two new general service rate classes. Union proposed that the new M1 rate class would be applicable to small volume residential and non-contract commercial industrial customers consuming 50,000 m<sup>3</sup> or less per year. Further, Union proposed that the new M2 rate class would be applicable to large volume general service rate class customers consuming greater than 50,000 m<sup>3</sup> per year. Union proposed to implement the new general service rate classes on January 1, 2008 to allow time to modify its billing system. In its EB-2005-0520 Decision with Reasons, dated June 29, 2006, the Board approved Union's proposal with respect to the new M1 and M2 rate classes.

As part of its January 1, 2007 Rate Order, Union filed proposed rates for the new M1 and M2 rate classes which could be implemented effective January 1, 2008 if no other adjustments to rates were being made (EB-2005-0520, Rate Order Working Papers, Schedule 21). Consistent with Union's EB-2005-0520 evidence and the Board's EB-2005-0520 Decision, Union will implement the approved split of the existing M2 rate class, effective January 1, 2008. The rates provided for the new M1 and new M2 rate classes in Schedule 21 of the 2007 Rate Order Working Papers, are the base rates to which the adjustments proposed in Exhibit B, Tab 1 will apply.

Gas Distribution Access Rule ("GDAR") Implementation

As part of the EB-2005-0520 evidence, Union requested pre-approval to change rates effective January 1, 2008 to incorporate incremental capital and O&M costs related to the implementation of the Bill-Ready phase of the GDAR. There was complete settlement of this issue in the EB-2005-0520 ADR Settlement Agreement. The derivation of the incremental costs in 2008 associated with implementing the Bill-Ready phase of GDAR (\$1.643 million) and the impact on

general service rates were provided by Union at Schedules 22 and 23 of its EB-2005-0520 Rate Order Working Papers.

In this proceeding Union is adjusting 2008 rates to incorporate the incremental GDAR costs (\$1.643 million) provided in the EB-2005-0520 Rate Order Working Papers. The impact on 2008 general service rates associated with implementing the Bill-Ready phase of GDAR appears in column (p) of Exhibit D, Tab 3, Schedule 3. Variances between the GDAR related costs included in rates and actual costs incurred will be captured in the GDAR Deferral Account (Account No. 179-112).

*Treatment of Demand Side Management ("DSM") Costs*

In accordance with the Board's EB-2006-0021 Decision, Union will increase its 2007 DSM budget by 10% per year for each of 2008 and 2009 to \$18.7 million and \$20.6 million, respectively. Union is proposing to treat the costs associated with DSM as a Y-factor. Accordingly, Union will remove the DSM costs currently in rates by rate class prior to applying the price cap index. After the price cap adjustment has been determined, Union will add back the DSM costs by rate class plus 10%. The result is that the increase in the 2008 and 2009 DSM budgets will be allocated in proportion to how the 2007 DSM budget was included in rates. Consistent with the Board's EB-2007-0598 Decision, Union will true-up for differences between the DSM costs included in rates and the actual amount spent on DSM programs on a rate class basis as part of the disposition of the DSMVA.

*NGEIR Implementation*

In its EB-2005-0551 Decision, the Board found that:

1. Union's share of the long term storage premium will increase to 25% in 2008, 50% in 2009, 75% in 2010 and 100% in 2011; and
2. Beginning January 1, 2008, the margin associated with short-term storage services will be shared between Union and its ratepayers in proportion to the split between non-utility

(21%) and utility (79%) storage-related rate base. The Board found that all of the short-term margin arising from the use of non-utility storage assets and 10% of the short-term margin arising from the use of utility storage assets will go to the Company.

Union will be implementing the Board approved changes to the sharing of long-term and short-term storage premiums starting January 1, 2008.

For 2008, the change in sharing associated with the long-term storage premium is \$3.211 million (Exhibit D, Tab 3, Schedule 15, line 8). Consistent with the EB-2005-0551 Decision, Union will phase out the long-term premium in rates entirely by 2011.

The change in sharing associated with short-term storage margin is \$2.922 million (Exhibit D, Tab 3, Schedule 15, line 7). The change in sharing of short-term storage margin will only result in an adjustment to 2008 rates.

Union is proposing to remove the long-term storage premium from in-franchise delivery rates as approved by the Board in the EB-2005-0551 proceeding using a storage premium adjustment factor. The storage premium adjustment factor will be calculated by taking the total annual impact of the change in sharing of forecast margin which results from the NGEIR decision divided by total in-franchise delivery revenue less DSM, storage and upstream transportation, fuel and UFG. The resulting adjustment factor will be applied to each in-franchise rate class. The 2008 adjustment factor will also include the impacts associated with including 100% of the Board approved 2007 forecast of margin from Transportation & Exchange Services, Other S&T Services and Other Direct Purchase Services as well as implementing the short-term storage margin sharing mechanism approved by the Board in the EB-2005-0551 proceeding beginning January 1, 2008. For 2009 to 2012, the storage premium adjustment factor associated with implementing the NGEIR decision will include only the reduction in long-term storage premium. The calculation of the storage premium adjustment factor is found at Exhibit D, Tab 3, Schedule

2. The application of the storage premium adjustment factor by rate class appears at Exhibit D, Tab 3, Schedule 3, column (h).

In addition to implementing the changes associated with the sharing of forecast S&T margin, Union will remove from the M12 rate schedule rates and applicable notes for storage dehydration services. These services are applicable to ex-franchise storage customers. Consistent with the NGEIR decision these services are now unregulated.

Lost Revenue Adjustment Mechanism ("LRAM")

Union is proposing to adjust rates over the incentive regulation term to recognize differences between forecast DSM activity and actual audited DSM activity each year.

For 2008, Union will adjust the volumes used in the calculation of rates to recognize the difference between forecast 2005 and 2006 DSM activity included in the 2007 Board approved throughput forecast and the 2005 and 2006 audited actual DSM activity.

The LRAM volume adjustments for 2005 and 2006 are provided at Exhibit D, Tab 3, Schedule 13. The derivation of rates reflecting the LRAM adjustment is provided at Exhibit D, Tab 3, Schedule 4.

RATE-RELATED CHANGES ASSOCIATED WITH UNION'S INCENTIVE REGULATION PLAN

Application of the Price Cap Index ("PCI")

To calculate the proposed 2008 rates provided at Exhibit D, Tab 2 and Exhibit D, Tab 3, Union used the average annual percentage change in the GDP IPI FDD for the four quarters ending June 2007. The average change over the most recent four quarters is 2.04%. The GDP IPI FDD Quarterly Index and year-over-year percentage change is provided at Exhibit D, Tab 1, Appendix A.

The calculation of the Service Group PCI using the average percentage change in GDP IPI FDD of 2.04% is provided at Exhibit D, Tab 3, Schedule 1, p. 1. The PCI for the general service rate classes is 2.42%. The PCI for all other rate classes is 1.30%.

The overall price cap adjustment is \$17.907 million and is calculated at Exhibit D, Tab 3, Schedule 1, p. 2.

*Weather Normalization Method Change*

As indicated at Exhibit B, Tab 1, p. 12, Union is proposing to adjust rates to reflect the 20-year declining trend weather normalization method. The calculation of the impact of adjusting rates for the change in weather normalization method (\$6.197 million) is provided at Exhibit D, Tab 3, Schedule 12.

Union's 2007 Board approved general service delivery volume was determined using a blended 55% 30-year average and 45% 20-year declining trend method. To calculate the rate impact associated with changing the weather normalization method, Union adjusted the 2007 Board approved delivery volume for its general service rate classes by the volume difference between the previously approved method and the proposed 20-year declining trend method. The adjusted 2007 M1, M2, Rate 01 and Rate 10 rates were calculated by dividing the 2007 Board approved revenue for each rate class by the 2007 delivery volume adjusted for the 20-year declining trend method.

The adjusted 2007 rates are the starting point for Union's detailed 2008 rate calculations provided in Exhibit D, Tab 3, Schedule 4.

*Treatment of Forecast S&T Margin*

As indicated at Exhibit B, Tab 1, pp. 11 and 12, Union is proposing to treat forecast transactional S&T margin the same as any other revenue stream and eliminate the Transportation & Exchange

Services Deferral Account (Account No. 179-69), Other S&T Services Deferral Account (Account No. 179-73) and Other Direct Purchase Services Deferral Account (Account No. 174-74) beginning January 1, 2008. Union is proposing to adjust base rates applicable to in-franchise customers to include 100% of the 2007 forecast margin approved by the Board in the EB-2005-0520 proceeding.

Currently, 90% or \$0.768 million of the 2007 approved forecast of Other S&T Services margin and Other Direct Purchase Services margin is included in in-franchise delivery rates. The total 2007 forecast margin is \$0.853 million.

For the Transportation & Exchange Services margin, 90% of the 2007 approved forecast amounts to \$2.325 million, of which \$0.222 million is included in in-franchise rates. The remainder (\$2.103 million) is credited to ex-franchise customers through a monthly credit on customer's bills. As part of eliminating the Transportation & Exchange Services Deferral Account (179-69), Union will adjust in-franchise customers' rates to include 100% (\$2.583 million) of the 2007 forecast approved by the Board. Union no longer believes that crediting a portion of Transportation & Exchange Services margin to ex-franchise customers is appropriate because:

1. Ex-franchise transmission customers have the ability to market their own capacity to mitigate the costs associated with contracting for firm capacity on Union's system; and
2. Continuing the credit as it is today will result in some ex-franchise customers receiving the credit while others will not.

The impact of Union's proposed changes to the sharing of forecast S&T transactional margin is a reduction to in-franchise rates of \$2.446 million (Exhibit D, Tab 3, Schedule 15, line 3 plus line 9).

OVERVIEW OF APPENDICES AND SCHEDULES IN SUPPORT OF PROPOSED 2008 RATES

The purpose of the following evidence is to provide an overview of the appendices and schedules prepared in support of Union's proposed 2008 rates.

Exhibit D, Tab 2, Appendix A summarizes the changes to in-franchise distribution and storage rates and ex-franchise transmission rates associated with Union's adjustments to 2007 rates, NGEIR implementation and the application of Union's proposed price cap formula for 2008.

Exhibit D, Tab 2, Appendix B contains Union's rate schedules updated to reflect proposed 2008 rates.

Exhibit D, Tab 2, Appendix C summarizes the average rate changes applicable to Union's negotiated interruptible contract services (Rate 25, M5A, M7 and T1).

Exhibit D, Tab 3, Schedule 1, p. 1 provides the calculation of the average annual percentage change in the GDP IPI FDD over the four quarters ending June, 2007 and the service group PCI's. Exhibit D, Tab 3, Schedule 1, p.2 applies the service group PCI's to 2007 approved revenue adjusted for DSM costs, upstream transportation costs and the changes in forecast margin sharing to arrive at the overall price cap adjustment.

Exhibit D, Tab 3, Schedule 2 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 and Union's proposals with respect to S&T margin.

Exhibit D, Tab 3, Schedule 3 summarizes the proposed changes to rates for 2008 by rate class. This schedule reflects the application of the 2008 service group PCI's, calculated at Exhibit D, Tab 3, Schedule 1. For rates M1, M2, Rate 01 and Rate 10, current approved rates have been adjusted to reflect Union's proposal to use the 20-year declining trend weather normalization



methodology. The impacts of DSM, changes to forecast margin sharing, GDAR and LRAM are also reflected in the schedule.

Exhibit D, Tab 3, Schedule 4 provides detailed support for the proposed rate changes summarized in Exhibit D, Tab 3, Schedule 3.

Exhibit D, Tab 3, Schedule 5 separately identifies the average percentage rate changes associated with those adjustments already approved by the Board and those adjustments proposed by Union as part of its price cap formula for each rate class.

Exhibit D, Tab 3, Schedule 6 provides the derivation of the Rate U2 and U5 delivery rates.

Exhibit D, Tab 3, Schedule 7 provides the derivation of the T1, T3, and Southern Operations area unbundled storage rates.

Exhibit D, Tab 3, Schedule 8 provides the derivation of Northern and Eastern Operations area bundled and unbundled storage rates.

Exhibit D, Tab 3, Schedule 9 provides the calculation of Union's charges for supplemental services.

Exhibit D, Tab 3, Schedule 10 identifies average unit price changes for in-franchise services.

Illustrative customer bill impacts for general service customers (Rate M1, M2, 01, and 10) have been provided at Exhibit D, Tab 3, Schedule 11.

Exhibit D, Tab 3, Schedule 12 provides the calculation of the impact associated with moving from a blended 55% 30-year average and 45% 20-year declining trend weather normalization

method to the 100% 20-year declining trend weather normalization method. The rates derived on this schedule appear in column (c) of Exhibit D, Tab 3, Schedule 4.

Exhibit D, Tab 3, Schedule 13 shows the adjustments in LRAM volumes by rate class for 2008 rate calculations.

Exhibit D, Tab 3, Schedule 14 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.

Exhibit D, Tab 3, Schedule 15 shows the change in forecast margin sharing for 2008.

GDP IPI FDD  
Inflation Index: 2002 = 100.0

<u>Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Annual Average</u>
1999	93.4	93.7	94.0	94.3	93.9
2000	94.9	96.1	96.4	96.9	96.1
2001	97.0	97.9	98.0	98.2	97.8
2002	98.9	99.6	100.4	101.1	100.0
2003	101.3	101.0	102.0	101.7	101.5
2004	102.3	103.3	103.4	103.8	103.2
2005	104.4	105.2	105.8	105.9	105.3
2006	107.0	107.2	107.6	108.0	107.5
2007	109.1	109.9	n.a	n.a	n.a

	year over year % change				
2000	1.61%	2.56%	2.55%	2.76%	2.37%
2001	2.21%	1.87%	1.66%	1.34%	1.77%
2002	1.96%	1.74%	2.45%	2.95%	2.27%
2003	2.43%	1.41%	1.59%	0.59%	1.50%
2004	0.99%	2.28%	1.37%	2.06%	1.68%
2005	2.05%	1.84%	2.32%	2.02%	2.06%
2006	2.49%	1.90%	1.70%	1.98%	2.02%
2007	1.96%	2.52%	n.a	n.a	n.a

source: Statistics Canada

## TAB 2

**EB-2007-0606**  
**2008 Rates**  
**Index of Appendices**

Appendix A	Summary of Changes to Sales Rates
Appendix B	Rate Schedules
Appendix C	Summary of Average Rate Changes for Rates 25, M5A, M7 and T1 Interruptible Contract Services

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$16.00		\$16.00
	Monthly Delivery Charge - All Zones			
2	First 100 m <sup>3</sup>	9.2380	0.7943	10.0323
3	Next 200 m <sup>3</sup>	8.6369	0.7454	9.3823
4	Next 200 m <sup>3</sup>	8.2100	0.7107	8.9207
5	Next 500 m <sup>3</sup>	7.8180	0.6788	8.4968
6	Over 1,000 m <sup>3</sup>	7.4944	0.6525	8.1469
7	Delivery - Price Adjustment (All Volumes)			
	Gas Transportation Service			
8	Fort Frances	2.9778	0.0022	2.9800
9	Western Zone	3.0018	0.0023	3.0041
10	Northern Zone	3.6137	0.0027	3.6164
11	Eastern Zone	4.1393	0.0032	4.1425
12	Transportation - Price Adjustment (All Zones)	0.0064 (1)		0.0064 (2)
	Storage Service			
13	Fort Frances	1.9099	0.0346	1.9445
14	Western Zone	1.9075	0.0345	1.9420
15	Northern Zone	2.2951	0.0415	2.3366
16	Eastern Zone	2.6079	0.0472	2.6551
17	Storage - Price Adjustment (All Zones)	(0.0170) (3)		(0.0170) (4)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	28.5823		28.5823
19	Western Zone	28.8494		28.8494
20	Northern Zone	29.2137		29.2137
21	Eastern Zone	29.5223		29.5223
22	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (5)		(6.2521) (6)

Notes:

- (1) Includes Prospective Recovery of (0.0796), 0.0580, 0.0411, (0.0131) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of (0.0796), 0.0580, 0.0411, (0.0131) cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.0029) and (0.0141) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of (0.0029) and (0.0141) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m <sup>3</sup>	7.3562	0.3453	7.7015
3	Next 9,000 m <sup>3</sup>	5.8543	0.2750	6.1293
4	Next 20,000 m <sup>3</sup>	4.9979	0.2349	5.2328
5	Next 70,000 m <sup>3</sup>	4.4495	0.2093	4.6588
6	Over 100,000 m <sup>3</sup>	2.3725	0.1121	2.4846
7	Delivery - Price Adjustment (All Zones)			
	Gas Transportation Service			
8	Fort Frances	2.7311		2.7311
9	Western Zone	2.7552		2.7552
10	Northern Zone	3.3670		3.3670
11	Eastern Zone	3.8927		3.8927
12	Transportation - Price Adjustment (All Zones)	0.0143 (1)		0.0143 (2)
	Storage Service			
13	Fort Frances	1.2255	0.0217	1.2472
14	Western Zone	1.2231	0.0217	1.2448
15	Northern Zone	1.6107	0.0285	1.6392
16	Eastern Zone	1.9235	0.0341	1.9576
17	Storage - Price Adjustment (All Zones)	(0.0193) (3)		(0.0193) (4)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	28.5823		28.5823
19	Western Zone	28.8494		28.8494
20	Northern Zone	29.2137		29.2137
21	Eastern Zone	29.5223		29.5223
22	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (5)		(6.2521) (6)

Notes:

- (1) Includes Prospective Recovery of (0.0779), 0.0604, 0.0449, (0.0131) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of (0.0779), 0.0604, 0.0449, (0.0131) cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.0043) and (0.0150) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of (0.0043) and (0.0150) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008
		Rate (a)		Rate (c)
1	Monthly Charge	\$780.00		\$780.00
	Delivery Demand Charge			
2	First 70,000 m <sup>3</sup>	20.3317	0.4468	20.7785
3	All over 70,000 m <sup>3</sup>	11.9561	0.2628	12.2189
	Delivery Commodity Charge			
4	First 852,000 m <sup>3</sup>	0.2877	0.0202	0.3079
5	All over 852,000 m <sup>3</sup>	0.2131	0.0149	0.2280
	Monthly Gas Supply Demand Charge			
6	Fort Frances	25.3849		25.3849
7	Western Zone	25.8508	0.0656	25.9164
8	Northern Zone	42.7815	0.1086	42.8901
9	Eastern Zone	56.9336	0.1446	57.0782
10	Gas Supply Demand - Price Adjustment (All Zones)	0.3573 (1)		0.3573 (2)
	Commodity Transportation 1			
11	Fort Frances	2.1971		2.1971
12	Western Zone	2.2058		2.2058
13	Northern Zone	2.6055		2.6055
14	Eastern Zone	2.9409		2.9409
15	Transportation 1 - Price Adjustment (All Zones)	(0.0909) (3)		(0.0909) (4)
	Commodity Transportation 2			
16	Fort Frances	0.1334		0.1334
17	Western Zone	0.1310		0.1310
18	Northern Zone	0.2059		0.2059
19	Eastern Zone	0.2733		0.2733
	Commodity Cost of Gas and Fuel			
20	Fort Frances	28.8230		28.8230
21	Western Zone	29.0924		29.0924
22	Northern Zone	29.4598		29.4598
23	Eastern Zone	29.7710		29.7710
24	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (5)		(6.2521) (6)
	Bundled Storage Service (\$/GJ)			
25	Monthly Demand Charge	11.289	0.157	11.446
26	Commodity Charge	0.240	0.003	0.243
27	Storage Demand - Price Adjustment	(0.268) (7)		(0.268) (8)

Notes:

- (1) Includes Prospective Recovery of 0.3066 and 0.0507 cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of 0.3066 and 0.0507 cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.0918), 0.0343, (0.0203) and (0.0131) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of (0.0918), 0.0343, (0.0203) and (0.0131) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
(7) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.  
(8) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.



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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
1	Monthly Charge	\$780.00		\$780.00
2	Delivery Demand Charge All Zones	11.9268	0.2372	12.1640
3	Delivery Commodity Charge All Zones	0.2102	0.0090	0.2192
4	Monthly Gas Supply Demand Charge Fort Frances	40.6945		40.6945
5	Western Zone	41.2381		41.2381
6	Northern Zone	60.9906		60.9906
7	Eastern Zone	77.5013		77.5013
8	Commodity Transportation 1 Fort Frances	3.8838		3.8838
9	Western Zone	3.8903		3.8903
10	Northern Zone	4.1901		4.1901
11	Eastern Zone	4.4417		4.4417
12	Commodity Transportation 2 Fort Frances	0.1334		0.1334
13	Western Zone	0.1310		0.1310
14	Northern Zone	0.2059		0.2059
15	Eastern Zone	0.2733		0.2733
16	Commodity Cost of Gas and Fuel Fort Frances	28.8230		28.8230
17	Western Zone	29.0924		29.0924
18	Northern Zone	29.4598		29.4598
19	Eastern Zone	29.7710		29.7710
20	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (1)		(6.2521) (2)
21	Bundled Storage Service (\$/GJ) Monthly Demand Charge	11.289	0.157	11.446
22	Commodity Charge	0.240	0.003	0.243
23	Storage Demand - Price Adjustment	(0.268) (3)		(0.268) (4)

Notes:

- (1) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
 (2) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
 (3) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.  
 (4) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008
		Rate (a)		Rate (c)
1	<u>Rate 25 - Large Volume Interruptible Service</u> Monthly Charge	\$190.00		\$190.00
2	Delivery Charge - All Zones * Maximum	4.5768	0.2151	4.7919
3	Gas Supply Charges - All Zones Minimum	14.3135		14.3135
4	Maximum	140.5622		140.5622
5	<u>Rate 77 - Wholesale Transportation Service</u> Monthly Charge	\$145.00		\$145.00
6	Delivery Demand Charge - All Zones	28.2927	0.5878	28.8805

\* see Appendix C

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>Utility Sales</u>			
1	Commodity and Fuel	29.5223		29.5223
2	Commodity and Fuel - Price Adjustment	(4.5888) (1)		(4.5888) (2)
3	Transportation	3.3287		3.3287
4	Total Gas Supply Commodity Charge	<u>28.2622</u>		<u>28.2622</u>
	<u>M4 Firm Commercial/Industrial</u>			
5	Minimum annual gas supply commodity charge	4.9515		4.9515
	<u>M5A Interruptible Commercial/Industrial</u>			
6	Minimum annual gas supply commodity charge	4.9515		4.9515
	<u>Storage and Transportation Supplemental Services - Rate T1 &amp; T3</u>	<u>\$/GJ</u>		<u>\$/GJ</u>
	Monthly demand charges: (\$/GJ)			
7	Firm gas supply service	29.027		29.027
8	Firm backstop gas	3.902	0.014	3.916
	Commodity charges:			
9	Gas supply	7.846		7.846
10	Backstop gas	10.696	0.030	10.726
11	Reasonable Efforts Backstop Gas	10.368	0.249	10.617
12	Supplemental Inventory	Note (3)		Note (3)
13	Supplemental Gas Sales Service (cents/m <sup>3</sup> )	42.5875	0.1243	42.7118
14	Failure to Deliver	3.000	0.2500	3.250
15	Discretionary Gas Supply Service (DGSS)	Note (4)		Note (4)

Notes:

- (1) Includes Prospective Recovery of (1.2473), (1.2208), (0.7674), (1.3533) cents/m<sup>3</sup>.
- (2) Includes Prospective Recovery of (1.2473), (1.2208), (0.7674), (1.3533) cents/m<sup>3</sup>.
- (3) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted avg. cost of gas.
- (4) Reflects the "back to back" price plus gas supply administration charge.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
<u>M1 Small Volume General Service Rate</u>				
1	Monthly Charge	\$16.00		\$16.00
	Monthly delivery commodity charge:			
2	First 1 400 m <sup>3</sup>	5.1701		n/a
3	Next 4 600 m <sup>3</sup>	4.1427		n/a
4	Next 124 000 m <sup>3</sup>	3.0859		n/a
5	Next 270 000 m <sup>3</sup>	2.4743		n/a
6	All over 400 000 m <sup>3</sup>	2.2978		n/a
7	First 100 m <sup>3</sup>	n/a		6.0095
8	Next 150 m <sup>3</sup>	n/a		5.7026
9	All over 250 m <sup>3</sup>	n/a		4.9765
10	Delivery - Price Adjustment (All Volumes)	(0.0478) (1)		(0.0478) (2)
11	Storage Service	0.9309	0.0981	1.0290
<u>M2 Large Volume General Service Rate</u>				
12	Monthly Charge	\$16.00	\$54.00	\$70.00
	Monthly delivery commodity charge:			
13	First 1 400 m <sup>3</sup>	5.1701		n/a
14	Next 4 600 m <sup>3</sup>	4.1427		n/a
15	Next 124 000 m <sup>3</sup>	3.0859		n/a
16	Next 270 000 m <sup>3</sup>	2.4743		n/a
17	All over 400 000 m <sup>3</sup>	2.2978		n/a
18	First 1 000 m <sup>3</sup>	n/a		3.8640
19	Next 6 000 m <sup>3</sup>	n/a		3.7900
20	Next 13 000 m <sup>3</sup>	n/a		3.5692
21	All over 20 000 m <sup>3</sup>	n/a		3.3046
22	Delivery - Price Adjustment (All Volumes)	(0.0478) (3)		(0.0478) (4)
23	Storage Service	0.9309	(0.1741)	0.7568
<u>M4 Firm comm/ind contract rate</u>				
	Monthly demand charge:			
24	First 8 450 m <sup>3</sup>	45.6744	0.8363	46.5107
25	Next 19 700 m <sup>3</sup>	19.8165	0.3629	20.1794
26	All over 28 150 m <sup>3</sup>	16.4565	0.3014	16.7579
	Monthly delivery commodity charge:			
27	First block	0.9291	0.0051	0.9342
28	All remaining use	0.5089	0.0028	0.5117
29	Delivery - Price Adjustment (All Volumes)	(0.0713) (5)		(0.0713) (6)
30	Minimum annual delivery commodity charge	1.2464	0.0051	1.2515

Notes:

- (1) Includes Prospective Recovery of (0.0031), (0.0027), (0.0416), (0.0004) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of (0.0031), (0.0027), (0.0416), (0.0004) cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.0031), (0.0027), (0.0416), (0.0004) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of (0.0031), (0.0027), (0.0416), (0.0004) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of 0.0020, 0.0006, (0.0735) and (0.0004) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of 0.0020, 0.0006, (0.0735) and (0.0004) cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>M5A interruptible comm/ind contract</u>			
	<u>Firm contracts *</u>			
1	Monthly demand charge	27.5785	0.5203	28.0988
2	Monthly delivery commodity charge	1.7957	0.1068	1.9025
3	Delivery - Price Adjustment (All Volumes)	(0.0409) (1)		(0.0409) (2)
	<u>Interruptible contracts *</u>			
4	Monthly Charge	\$500.00		\$500.00
	Daily delivery commodity charge:			
5	4 800 m <sup>3</sup> to 17 000 m <sup>3</sup>	1.9019	0.0959	1.9978
6	17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>	1.7720	0.0959	1.8679
7	30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>	1.7037	0.0959	1.7996
8	50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>	1.6558	0.0959	1.7517
9	70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>	1.6215	0.0959	1.7174
10	100 000 m <sup>3</sup> to 140 870 m <sup>3</sup>	1.5878	0.0959	1.6837
11	Delivery - Price Adjustment (All Volumes)	(0.0409) (1)		(0.0409) (2)
12	Annual minimum delivery commodity charge	2.2192	0.0959	2.3151
	<u>M7 Special large volume contract</u>			
	<u>Firm</u>			
13	Monthly demand charge	25.5426	0.4402	25.9828
14	Monthly delivery commodity charge	0.3344	0.0196	0.3540
15	Delivery - Price Adjustment	0.0162 (3)		0.0162 (4)
	<u>Interruptible *</u>			
16	Monthly delivery commodity charge: Maximum	2.7337	0.0610	2.7947
17	Delivery - Price Adjustment	0.0162 (3)		0.0162 (4)
	<u>Seasonal *</u>			
18	Monthly delivery commodity charge: Maximum	2.4896	0.0610	2.5506
19	Delivery - Price Adjustment	0.0162 (3)		0.0162 (4)
	<u>M9 Large wholesale service</u>			
20	Monthly demand charge	17.0902	0.2849	17.3751
21	Monthly delivery commodity charge	0.5367	0.0080	0.5447
22	Delivery - Price Adjustment	(0.0648) (5)		(0.0648) (6)
	<u>M10 Small wholesale service</u>			
23	Monthly delivery commodity charge	2.6978	0.0439	2.7417

Notes:

- (1) Includes Prospective Recovery of 0.0043, 0.0045, (0.0493) and (0.0004) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of 0.0043, 0.0045, (0.0493) and (0.0004) cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of 0.0431, 0.0218, (0.0483) and (0.0004) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of 0.0431, 0.0218, (0.0483) and (0.0004) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (0.0066), (0.0150), (0.0428) and (0.0004) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (0.0066), (0.0150), (0.0428) and (0.0004) cents/m<sup>3</sup>.

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

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

Line No.	Particulars	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>Contract Carriage Service</u>			
	<u>T1 Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.980	0.025	2.005
3	Customer provides deliverability inventory	1.050	0.014	1.064
4	Firm incremental injection	1.050	0.014	1.064
5	Interruptible withdrawal	1.050	0.014	1.064
	Commodity charges:			
6	Withdrawal	0.064		0.064
7	Customer provides compressor fuel	0.007		0.007
8	Injection	0.064		0.064
9	Customer provides compressor fuel	0.007		0.007
10	Storage fuel ratio - customer provides fuel	0.600%	0.008%	0.608%
	<u>Transportation (cents / m<sup>3</sup>)</u>			
11	Monthly demand charge first 140,870 m <sup>3</sup>	18.9471	0.3913	19.3384
12	Monthly demand charge all over 140,870 m <sup>3</sup>	12.9470	0.2674	13.2144
	Commodity charges:			
13	Firm- Union provides compressor fuel first 2,360,653 m <sup>3</sup>	0.3573	0.0090	0.3663
14	Union provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.2767	0.0057	0.2824
15	Customer provides compressor fuel first 2,360,653 m <sup>3</sup>	0.1604	0.0065	0.1669
16	Customer provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.0798	0.0032	0.0830
	Interruptible: *			
17	Maximum - Union provides compressor fuel	2.7337	0.0610	2.7947
18	Maximum - customer provides compressor fuel	2.5368	0.0585	2.5953
19	Transportation fuel ratio - customer provides fuel	0.554%	0.007%	0.561%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
20	Injection May 1 to Oct 31	0.169	0.003	0.172
21	Customer provides compressor fuel	0.072	0.001	0.073
22	Withdrawals Nov 1 to Apr 30	0.169	0.003	0.172
23	Customer provides compressor fuel	0.072	0.0010	0.073
24	Transportation commodity charge (cents/m <sup>3</sup> )	0.9803	0.0218	1.0021
25	Customer provides compressor fuel	0.7833	0.0194	0.8027
26	<u>Monthly Charge</u>	\$1,800		\$1,800

\* 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-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>T3 Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.980	0.025	2.005
3	Customer provides deliverability inventory	1.050	0.014	1.064
4	Firm incremental injection	1.050	0.014	1.064
5	Interruptible withdrawal	1.050	0.014	1.064
	Commodity charges:			
6	Withdrawal	0.064		0.064
7	Customer provides compressor fuel	0.007		0.007
8	Injection	0.064		0.064
9	Customer provides compressor fuel	0.007		0.007
10	Storage fuel ratio- Cust. provides fuel	0.600%	0.008%	0.608%
	<u>Transportation (cents / m<sup>3</sup>)</u>			
11	Monthly demand charge	9.0121	0.1756	9.1877
	Commodity charges			
12	Firm- Union supplies compressor fuel	0.3242	0.0046	0.3288
13	Customer provides compressor fuel	0.0666	0.0013	0.0679
14	Transportation fuel ratio- Cust. provides fuel	0.725%	0.009%	0.734%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
15	Injection	0.169	0.003	0.172
16	Customer provides compressor fuel	0.072	0.001	0.073
17	Withdrawals	0.169	0.003	0.172
18	Customer provides compressor fuel	0.072	0.001	0.073
19	Transportation commodity charge (cents/m <sup>3</sup> )	0.6205	0.0104	0.6309
20	Customer provides compressor fuel (cents/m <sup>3</sup> )	0.3629	0.0071	0.3700
	<u>Monthly Charge</u>			
21	City of Kitchener	\$17,155	\$334	\$17,489
22	Natural Resource Gas	\$2,631	\$34	\$2,665
23	Six Nations	\$877	\$11	\$888

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

Line No.	Particulars	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>U2 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Standard Storage Service (SSS) Combined Firm Space & Deliverability	0.021	0.001	0.022
2	Standard Peaking Service (SPS) Combined Firm Space & Deliverability	0.106	0.001	0.107
3	Incremental firm injection right	0.955	0.014	0.969
4	Incremental firm withdrawal right	0.955	0.014	0.969
	Commodity charges:			
5	Injection customer provides compressor fuel	0.015		0.015
6	Withdrawal customer provides compressor fuel	0.015		0.015
7	Storage fuel ratio - Customer provides fuel	0.600%	0.008%	0.608%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
8	Injection customer provides compressor fuel	0.046	0.001	0.047
9	Withdrawal customer provides compressor fuel	0.046	0.001	0.047
	<u>U5 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
10	Combined Firm Space & Deliverability	0.021	0.001	0.022
11	Incremental firm injection right	0.955	0.014	0.969
12	Incremental firm withdrawal right	0.955	0.014	0.969
	Commodity charges:			
13	Injection customer provides compressor fuel	0.015		0.015
14	Withdrawal customer provides compressor fuel	0.015		0.015
15	Storage fuel ratio - Customer provides fuel	0.600%	0.008%	0.608%
	<u>Delivery (cents / m<sup>3</sup>)</u>			
	<u>Firm contracts</u>			
16	Monthly demand charge	21.8236	0.4454	22.2690
17	Monthly delivery commodity charge	1.7957	0.0329	1.8286
18	Transportation fuel ratio - Customer provides fuel	0.554%	0.0001	0.561%
	<u>Interruptible contracts</u>			
19	Monthly Charge	\$500.00		\$500.00
	Monthly delivery commodity charge:			
20	4 800 m <sup>3</sup> to 17 000 m <sup>3</sup>	1.5464	0.0270	1.5734
21	17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>	1.4165	0.0270	1.4435
22	30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>	1.3482	0.0270	1.3752
23	50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>	1.3003	0.0270	1.3273
24	70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>	1.2660	0.0270	1.2930
25	100 000 m <sup>3</sup> to 140 870 m <sup>3</sup>	1.2323	0.0270	1.2593
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
26	Injection customer provides compressor fuel	0.046	0.001	0.047
27	Withdrawal customer provides compressor fuel	0.046	0.001	0.047



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

Line No.	Particulars	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>U7 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Combined Firm Space & Deliverability	0.021	0.001	0.022
2	Incremental firm injection right	0.955	0.014	0.969
3	Incremental firm withdrawal right	0.955	0.014	0.969
	Commodity charges:			
4	Injection customer provides compressor fuel	0.015		0.015
5	Withdrawal customer provides compressor fuel	0.015		0.015
6	Storage fuel ratio - Customer provides fuel	0.600%	0.008%	0.608%
	<u>Delivery (cents / m<sup>3</sup>)</u>			
7	Monthly demand charge first 140,870 m <sup>3</sup>	18.9471	0.3913	19.3384
8	Monthly demand charge all over 140,870 m <sup>3</sup>	12.9470	0.2674	13.2144
	Commodity charges			
9	Firm Customer provides compressor fuel first 2,360,653 m <sup>3</sup>	0.1604	0.0065	0.1669
10	Firm Customer provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.0798	0.0032	0.0830
	Interruptible:			
11	Maximum customer provides compressor fuel	2.5368	0.0585	2.5953
12	Transportation fuel ratio - Customer provides fuel	0.554%	0.007%	0.561%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
13	Injection customer provides compressor fuel	0.046	0.001	0.047
14	Withdrawal customer provides compressor fuel	0.046	0.001	0.047
15	Transportation commodity charge (cents/m <sup>3</sup> )	0.7833	0.0194	0.8027
	<u>Other Services &amp; Charges</u>			
16	Monthly Charge	\$1,800		\$1,800

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

Line No.	Particulars	EB-2007-0720 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>U9 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.021	0.001	0.022
2	Incremental firm injection right	0.955	0.014	0.969
3	Incremental firm withdrawal right	0.955	0.014	0.969
	Commodity charges:			
4	Injection customer provides compressor fuel	0.015		0.015
5	Withdrawal customer provides compressor fuel	0.015		0.015
6	Storage fuel ratio - Customer provides fuel	0.600%	0.008%	0.608%
	<u>Delivery (cents / m<sup>3</sup>)</u>			
7	Monthly demand charge	9.0121	0.1756	9.1877
	Commodity charges:			
8	Firm customer provides compressor fuel	0.0666	0.0013	0.0679
9	Transportation fuel ratio - Customer provides fuel	0.725%	0.009%	0.734%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
10	Injection customer provides compressor fuel	0.046	0.001	0.047
11	Withdrawal customer provides compressor fuel	0.046	0.001	0.047
12	Transportation commodity charge (cents/m <sup>3</sup> )	0.3629	0.0071	0.3700
	<u>Other Services &amp; Charges</u>			
	Monthly Charge			
13	City of Kitchener	\$17,155	\$334	\$17,489
14	NRG	\$2,631	\$34	\$2,665
15	Six Nations	\$877	\$11	\$888

UNION GAS LIMITED  
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2005-0520 Approved January 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>M12 Storage &amp; Transportation Service</u>			
	<u>Storage service</u>			
	Monthly demand charges:			
1	Space- Union providing deliverability inventory	n/a		n/a
2	Space- Shipper providing deliverability inventory	0.010	0.000	0.010
3	Firm deliverability	1.050	0.014	1.064
	Interruptible deliverability			
4	Maximum	n/a		n/a
	Commodity charges:			
5	Injection / Withdrawal - Union supplied fuel (includes UFG)	n/a		n/a
6	Injection / Withdrawal - Shipper supplied fuel (includes UFG)	0.006 (2)	0.001	0.007 (2)
7	Dehydration commodity	0.003		n/a
	<u>Firm transportation</u>			
	Monthly demand charges:			
8	Without compression - Kirkwall	n/a		n/a
9	Without compression - Oakville/Parkway	n/a		n/a
10	With compression - Kirkwall	2.036	0.027	2.063
11	With compression - Oakville/Parkway	2.392	0.031	2.423
12	Dawn Compression	n/a		n/a
13	Dehydration	0.036		n/a
	Commodity charges:			
14	Easterly without compression	n/a		n/a
15	Easterly with compression	Note (1)		Note (1)
16	Westerly with compression	Note (1)		Note (1)
	<u>Limited Firm/Interruptible</u>			
	Monthly demand charges:			
17	Maximum	5.741	0.074	5.815
	Commodity charges :			
18	Others with compression	Note (1)		Note (1)
	<u>Firm Transportation from Dawn to Kirkwall / Parkway without LCU Protection</u>			
	Monthly demand charges:			
19	Dawn to Kirkwall/Parkway Without LCU Protection Maximum	n/a		n/a
	Commodity charges :			
20	Others with compression	n/a		n/a
	<u>Authorized Overrun</u>			
	Storage commodity charges:			
21	Injection / Withdrawal - Union supplied fuel (includes UFG)	n/a		n/a
22	Injection / Withdrawal - Shipper supplied fuel (includes UFG)	0.041 (2)	0.001	0.042 (2)
23	Dehydration - Tecumseh	0.004		n/a
24	Dehydration - Others	n/a		n/a
25	Dawn Compression commodity charge	n/a		n/a

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-2005-0520 Approved January 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0606 Proposed January 1, 2008 Rate (c)
	<u>M12 Storage &amp; Transportation Service (cont'd)</u>			
	<u>Authorized Overrun</u>			
	Transportation commodity charges:			
	Easterly without compression			
1	Dawn to Kirkwall - Union supplied fuel	n/a		n/a
2	Dawn to Oakville - Union supplied fuel	n/a		n/a
3	Dawn to Kirkwall - Shipper supplied fuel	n/a		n/a
4	Dawn to Oakville - Shipper supplied fuel	n/a		n/a
	Easterly with compression :			
5	Dawn to Kirkwall - Union supplied fuel	Note (1)		Note (1)
6	Dawn to Oakville - Union supplied fuel	Note (1)		Note (1)
7	Dawn to Kirkwall - Shipper supplied fuel	0.067 (1)	0.001	0.068 (1)
8	Dawn to Oakville - Shipper supplied fuel	0.079 (1)	0.001	0.080 (1)
9	Westerly - Union supplied fuel	Note (1)		Note (1)
10	Westerly - Shipper supplied fuel	0.079 (1)	0.001	0.080 (1)
	<u>Unauthorized Overrun</u>			
	Overrun of Maximum Storage Balance			
11	August 1 to December 15	60.000		60.000
12	December 16 to July 31	6.000		6.000
	Drafted Storage Balance			
13	February 1 to April 30	60.000		60.000
14	May 1 to January 31	6.000		6.000
	<u>M13 Transportation of Locally Produced Gas</u>			
15	Monthly fixed charge per customer station	\$662	\$9	\$671
16	Transmission commodity charge to Dawn	0.025	0.001	0.026
17	Commodity charge - Union supplies fuel	0.031	0.000	0.031
18	Commodity charge - Shipper supplies fuel	Note (2)		Note (2)
19	Authorized Overrun - Union supplies fuel	0.090	0.001	0.091
20	Authorized Overrun - Shipper supplies fuel	0.059 (2)	0.000	0.059 (2)
	<u>M16 Storage Transportation Service</u>			
21	Monthly fixed charge per customer station	\$750	\$10	\$760
	Monthly demand charges:			
22	East of Dawn	0.744	0.010	0.754
23	West of Dawn	1.014	0.013	1.027
24	Transmission commodity charge to Dawn	0.025	0.001	0.026
	Transportation Fuel Charges to Dawn:			
25	East of Dawn - Union supplied fuel	0.031	0.000	0.031
26	West of Dawn - Union supplied fuel	0.031	0.000	0.031
27	East of Dawn - Shipper supplied fuel	Note (2)		Note (2)
28	West of Dawn - Shipper supplied fuel	Note (2)		Note (2)
	Transportation Fuel Charges to Pools:			
29	East of Dawn - Union supplied fuel	0.040	0.001	0.041
30	West of Dawn - Union supplied fuel	0.047	0.001	0.048
31	East of Dawn - Shipper supplied fuel	Note (2)		Note (2)
32	West of Dawn - Shipper supplied fuel	Note (2)		Note (2)

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

UNION GAS LIMITED  
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2005-0520 Approved January 1, 2007 Rate (a)	Rate Change (b)	EB-2002-0363 Proposed January 1, 2008 Rate (c)
	<u>M16 Storage Transportation Service (cont'd)</u>			
	<u>Authorized Overrun</u>			
	Transportation Fuel Charges to Dawn:			
1	East of Dawn - Union supplied fuel	0.081	0.001	0.082
2	West of Dawn - Union supplied fuel	0.090	0.001	0.091
3	East of Dawn - Shipper supplied fuel	0.050 (2)	0.000	0.050 (2)
4	West of Dawn - Shipper supplied fuel	0.059 (2)	0.000	0.059 (2)
	Transportation Fuel Charges to Pools:			
5	East of Dawn - Union supplied fuel	0.065	0.000	0.065
6	West of Dawn - Union supplied fuel	0.080	0.001	0.081
7	East of Dawn - Shipper supplied fuel	0.024 (2)	0.001	0.025 (2)
8	West of Dawn - Shipper supplied fuel	0.033 (2)	0.001	0.034 (2)
	<u>C1 Storage &amp; Cross Franchise Transportation Service</u>			
	<u>Storage service</u>			
	Commodity charges :			
	Long Term (2 years or more) / Short-Term (less than 2 years)			
	Combined Storage Space and Interruptible Deliverability			
9	Maximum	n/a		n/a
	Firm Deliverability			
10	Maximum	n/a		n/a
	Commodity charges:			
11	Injection / Withdrawal - Union supplied fuel (includes UFG)	n/a		n/a
12	Injection / Withdrawal - Shipper supplied fuel (includes UFG)	n/a		n/a
13	Dehydration commodity	n/a		n/a
	<u>Transportation service</u>			
	Monthly demand charges:			
14	St. Clair / Bluewater & Dawn	1.014	0.013	1.027
15	Ojibway & Dawn	1.014	0.013	1.027
16	Parkway to Dawn	0.554	0.007	0.561
17	Parkway to Kirkwall	0.554	0.007	0.561
18	Dawn to Kirkwall with Dawn compression	2.036	0.027	2.063
19	Dawn to Parkway with Dawn compression	2.392	0.031	2.423
20	Dawn to Dawn-Vector	n/a		0.043
	Short-term:			
21	Maximum	75.000		75.000
22	Dawn to Kirkwall/Parkway Without LCU Protection			
	Maximum	n/a		n/a
	Commodity charges:			
23	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.041	0.001	0.041
24	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.033	0.001	0.034
25	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.054	0.000	0.054
26	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.047	0.001	0.048
27	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.031	0.000	0.031
28	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.033	0.001	0.034
29	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.107	0.002	0.109
30	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.049	0.001	0.050
31	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.107	0.002	0.109
32	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.049	0.001	0.050
33	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)		Note (2)
34	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)		Note (2)
35	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)		Note (2)
36	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)		Note (2)
37	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)		Note (2)
38	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)		Note (2)
39	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)		Note (2)
40	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)		Note (2)
41	Dawn to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)		Note (2)
42	Dawn to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	Note (2)		Note (2)
43	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	n/a		n/a
44	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct. 31)	n/a		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-2005-0520 Approved January 1, 2007 Rate (a)	Rate Change (b)	EB-2002-0363 Proposed January 1, 2008 Rate (c)
	<u>C1 Storage &amp; Cross Franchise Transportation Service</u>			
	<u>Transportation service cont'd</u>			
	Interruptible commodity charges:			
1	Maximum	75.000		75.000
2	Dawn(Tecumseh), Dawn(Facilities or TCPL) and Dawn (Vector)	Note (2)		Note (2)
	<u>Authorized Overrun</u>			
	Storage commodity charges:			
	Injection / Withdrawal:			
3	Maximum	n/a		n/a
4	Injection / Withdrawal - Union supplied fuel (includes UFG)	n/a		n/a
5	Injection / Withdrawal - Customer supplied fuel (includes UFG)	n/a		n/a
6	Dehydration commodity	n/a		n/a
	Firm transportation commodity charges:			
7	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.074	0.001	0.075
8	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.067	0.001	0.068
9	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.087	0.001	0.088
10	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.080	0.001	0.081
11	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.049	0.001	0.050
12	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.052	0.000	0.052
13	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.174	0.003	0.177
14	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.116	0.001	0.117
15	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.186	0.003	0.189
16	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.128	0.001	0.129
17	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.033 (2)	0.001	0.034 (2)
18	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.033 (2)	0.001	0.034 (2)
19	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.033 (2)	0.001	0.034 (2)
20	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.033 (2)	0.001	0.034 (2)
21	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.018 (2)	0.000	0.018 (2)
22	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.018 (2)	0.000	0.018 (2)
23	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.067 (2)	0.001	0.068 (2)
24	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.067 (2)	0.001	0.068 (2)
25	Dawn to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.079 (2)	0.001	0.080 (2)
26	Dawn to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	0.079 (2)	0.001	0.080 (2)
27	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	n/a (2)		n/a (2)
28	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct . 31)	n/a (2)	0.001	0.001 (2)
	Short Term Firm transportation commodity charges:			
29	Maximum	75.000		75.000
	<u>Unauthorized Overrun</u>			
	Overrun of Maximum Storage Balance			
30	August 1 to December 15	n/a		n/a
31	December 16 to July 31	n/a		n/a
	Drafted Storage Balance			
32	February 1 to April 30	n/a		n/a
33	May 1 to January 31	n/a		n/a

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

RATE 01A – SMALL VOLUME GENERAL FIRM SERVICE**ELIGIBILITY**

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

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Sales Service**

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

**(b) Transportation Service**

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

**(c) Bundled Transportation Service**

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

**MONTHLY RATES AND CHARGES**

Zone	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
Rate Schedule No.	201	101	301	601

APPLICABLE TO ALL SERVICES

<u>MONTHLY CHARGE</u>	\$16.00	\$16.00	\$16.00	\$16.00
<u>DELIVERY CHARGE</u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>
First 100 m <sup>3</sup> per month @	10.0323	10.0323	10.0323	10.0323
Next 200 m <sup>3</sup> per month @	9.3823	9.3823	9.3823	9.3823
Next 200 m <sup>3</sup> per month @	8.9207	8.9207	8.9207	8.9207
Next 500 m <sup>3</sup> per month @	8.4968	8.4968	8.4968	8.4968
Over 1,000 m <sup>3</sup> per month @	8.1469	8.1469	8.1469	8.1469
Delivery- Price Adjustment (All Volumes)	-	-	-	-

ADDITIONAL CHARGES FOR SALES SERVICE**GAS SUPPLY CHARGES**

Gas Supply Charge (if applicable)

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

**MONTHLY BILL**

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

**MINIMUM MONTHLY BILL**

The Minimum Monthly Bill shall be the Monthly Charge.

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

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

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.





## RATE 10 – LARGE VOLUME GENERAL FIRM SERVICE

### ELIGIBILITY

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

### SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) **Sales Service**

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

(b) **Transportation Service**

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

(c) **Bundled Transportation Service**

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

### MONTHLY RATES AND CHARGES

Zone Rate Schedule No.	<u>Fort Frances</u> 210	<u>Western</u> 110	<u>Northern</u> 310	<u>Eastern</u> 610
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$70.00	\$70.00	\$70.00	\$70.00
<u>DELIVERY CHARGE</u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>
First 1,000 m <sup>3</sup> per month @	7.7015	7.7015	7.7015	7.7015
Next 9,000 m <sup>3</sup> per month @	6.1293	6.1293	6.1293	6.1293
Next 20,000 m <sup>3</sup> per month @	5.2328	5.2328	5.2328	5.2328
Next 70,000 m <sup>3</sup> per month @	4.6588	4.6588	4.6588	4.6588
Over 100,000 m <sup>3</sup> per month @	2.4846	2.4846	2.4846	2.4846
Delivery-Price Adjustment (All Volumes)	-	-	-	-



ADDITIONAL CHARGES FOR SALES SERVICE

**GAS SUPPLY CHARGES**

Gas Supply Charge (if applicable)

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

**MONTHLY BILL**

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

**MINIMUM MONTHLY BILL**

The minimum monthly bill shall be the Monthly Charge.

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

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

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

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

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Sales Service**

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

**(b) Transportation Service**

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

**(c) Bundled Transportation Service**

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

**(d) Storage Service**

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

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

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

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

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

<u>MONTHLY CHARGE</u>	\$780.00
<u>DELIVERY CHARGES</u> (cents per month per m <sup>3</sup> )	
Monthly Demand Charge for first 70,000 m <sup>3</sup> of Contracted Daily Demand	20.7785
Monthly Demand Charge for all units over 70,000 m <sup>3</sup> of Contracted Daily Demand	12.2189
Commodity Charge for first 852,000 m <sup>3</sup> of gas volumes delivered	0.3079
Commodity Charge for all units over 852,000 m <sup>3</sup> of gas volumes delivered	0.2280

NOTE

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

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

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

**Commodity Transportation**

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

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

**HEAT CONTENT ADJUSTMENT**

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

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

**COMMISSIONING AND DECOMMISSIONING RATE**

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

Zone	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
Rate Schedule No.	220	120	320	620
<u>MONTHLY CHARGE</u>	\$780.00	\$780.00	\$780.00	\$780.00
<u>DELIVERY CHARGES</u>	<u>cents per m<sup>3</sup></u>	<u>cents per m<sup>3</sup></u>	<u>cents per m<sup>3</sup></u>	<u>cents per m<sup>3</sup></u>
Commodity Charge for each unit of gas volumes delivered	1.6742	1.6742	1.6742	1.6742

GAS SUPPLY CHARGES

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

The applicable rates are provided in Schedule "A".

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

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

BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$ per GJ per Month) \$11.446

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: (\$ per GJ per Month) (\$0.268)

Commodity Charge for each unit of gas withdrawn from storage (\$ per GJ) \$0.243

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for withdrawal from storage (\$ per GJ) \$0.619

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) \$0.033

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 0.608%

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 (%) 1.04%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.073

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.	<u>Fort Frances</u> 220	<u>Western</u> 120	<u>Northern</u> 320	<u>Eastern</u> 620
<u>Delivery Service to Storage Facilities (1)</u>				
Demand Charge (\$/GJ/month)	N/A	\$29.227	\$12.025	\$1.202
Commodity (\$/GJ)	N/A	\$0.032	\$0.024	\$0.019
<u>Redelivery Service from Storage Facilities</u>				
Demand Charge (\$/GJ/month)	\$2.278	\$2.278	\$2.278	\$5.929
Commodity (\$/GJ)	N/A	\$0.096	\$0.096	\$0.101

**Notes:**

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

**DIVERSION TRANSACTION CHARGE**

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

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

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

**MINIMUM BILL**

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

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

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

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.





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

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

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Sales Service**

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

**(b) Transportation Service**

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

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

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

<b><u>MONTHLY CHARGE</u></b>	<b>\$190.00</b>
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<b><u>DELIVERY CHARGES</u></b>	<b><u>cents per m<sup>3</sup></u></b>
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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:	<b>4.7919</b>
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**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<sup>3</sup>) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m<sup>3</sup>, respectively.

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

ADDITIONAL CHARGES FOR TRANSPORTATION – ALL ZONES

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

**\$220.00**

**THE BILL**

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

**MINIMUM BILL**

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

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

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



**TERMS AND CONDITIONS OF SERVICE**

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





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

**ELIGIBILITY**

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

**SERVICE AVAILABLE**

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

**GAS SUPPLY CHARGE**

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

**SHORT TERM STORAGE / BALANCING SERVICE**

Short Term Storage / Balancing Service is:

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

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

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

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

**THE BILL**

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

**SERVICE AGREEMENT**

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



**uniongas**

Effective  
2008-01-01  
**Rate 30**  
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**TERMS AND CONDITIONS OF SERVICE**

1. Failure of the customer to interrupt or curtail use of gas on this rate as requested by Union shall be subject to the Unauthorized Overrun Gas Penalty as provided in Union's Terms and Conditions. Anytime the customer has such failure, Union reserves the right to cancel service under this rate.
2. The Terms and Conditions of the applicable rate schedule for delivery of the gas sold hereunder shall also apply.
3. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.

RATE 77 – WHOLESALE TRANSPORTATION SERVICE**ELIGIBILITY**

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

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Transportation Service**

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

**MONTHLY RATES AND CHARGES – ALL ZONES**

<u>MONTHLY CHARGE</u> (\$ per month)	\$145.00
<u>MONTHLY DELIVERY DEMAND CHARGE</u> (cents per m <sup>3</sup> )	28.8805

**THE BILL**

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

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

1. Service shall be for a minimum term of one year.
2. Customers must enter into a Service Agreement with Union prior to the commencement of service.
3. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.





**RATE 100 – LARGE VOLUME HIGH LOAD FACTOR FIRM SERVICE****ELIGIBILITY**

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

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Sales Service**

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

**(b) Transportation Service**

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

**(c) Bundled Transportation Service**

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

**(d) Storage Service**

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

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

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

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

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

<u>MONTHLY CHARGE</u>	\$780.00
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<u>DELIVERY CHARGES</u> (cents per Month per m <sup>3</sup> of Daily Contract Demand) Monthly Demand Charge for each unit of Contracted Daily Demand:	12.1640
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COMMODITY CHARGE for each unit of gas volumes delivered (cents per m <sup>3</sup> )	0.2192
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NOTE:

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

ADDITIONAL CHARGES FOR SALES SERVICEGas Supply Charges

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

Commodity Transportation

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

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

**HEAT CONTENT ADJUSTMENT**

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

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

**COMMISSIONING AND DECOMMISSIONING RATE**

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

Zone Rate Schedule No.	<u>Fort Frances</u> 2100	<u>Western</u> 1100	<u>Northern</u> 3100	<u>Eastern</u> 6100
<u>MONTHLY CHARGE</u>	\$780.00	\$780.00	\$780.00	\$780.00
<u>DELIVERY CHARGES</u>				
Commodity Charge for each unit of gas volumes delivered	<u>cents per m<sup>3</sup></u> 0.7905	<u>cents per m<sup>3</sup></u> 0.7905	<u>cents per m<sup>3</sup></u> 0.7905	<u>cents per m<sup>3</sup></u> 0.7905

GAS SUPPLY CHARGES

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

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

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

BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$ per GJ per Month) \$11.446

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: (\$ per GJ per Month) (\$0.268)

Commodity Charge for each unit of gas withdrawn from storage (\$ per GJ) \$0.243

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for withdrawal from storage (\$ per GJ) \$0.619

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) \$0.033

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 0.608%

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 (%) 1.04%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.073

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.	<u>Fort Frances</u> 2100	<u>Western</u> 1100	<u>Northern</u> 3100	<u>Eastern</u> 6100
<u>Delivery Service to Storage Facilities (1)</u>				
Demand Charge (\$/GJ/month)	N/A	\$29.227	\$12.025	\$1.202
Commodity (\$/GJ)	N/A	\$0.032	\$0.024	\$0.019
<u>Redelivery Service from Storage Facilities</u>				
Demand Charge (\$/GJ/month)	\$2.278	\$2.278	\$2.278	\$5.929
Commodity (\$/GJ)	N/A	\$0.096	\$0.096	\$0.101

**Notes:**

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

**DIVERSION TRANSACTION CHARGE**

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

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

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

**MINIMUM BILL**

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

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

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

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.



**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)	\$0.033
Fuel Ratio	
Applied to all gas injected and withdrawn from storage (%)	0.608%
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 (%)	1.04%
Commodity Charge	
Applied to all gas injected and withdrawn from storage (\$ per GJ)	\$0.073

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

**UNBUNDLED STORAGE SERVICE UNAUTHORIZED OVERRUN CHARGES**

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

Zone	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Delivery Service to Storage Facilities (1)</u>				
Demand Charge (\$/GJ/month)	N/A	\$29.227	\$12.025	\$1.202
Commodity (\$/GJ)	N/A	\$0.032	\$0.024	\$0.019
<u>Redelivery Service from Storage Facilities</u>				
Demand Charge (\$/GJ/month)	\$2.278	\$2.278	\$2.278	\$5.929
Commodity (\$/GJ)	N/A	\$0.096	\$0.096	\$0.101

**Notes:**

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

**Diversion Transaction Charge**

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

\$10.00

**MONTHLY BILL**

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

**DELAYED PAYMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

1. Customers must enter into a Service Agreement with Union prior to the commencement of service.
2. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.





# uniongas

Effective  
2008-01-01  
Schedule "A"  
Page 1 of 2

Union Gas Limited  
Northern and Eastern Operations Area  
Gas Supply Charges

(A) Availability

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

(B) Applicability:

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

(C) Rates

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 01A (cents / m<sup>3</sup>)</u>				
Storage	1.9445	1.9420	2.3366	2.6551
Storage - Price Adjustment (1)	(0.0170)	(0.0170)	(0.0170)	(0.0170)
Commodity and Fuel	28.5823	28.8494	29.2137	29.5223
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Transportation	2.9800	3.0041	3.6164	4.1425
Transportation - Price Adjustment (1)	0.0064	0.0064	0.0064	0.0064
Total Gas Supply Charge	<u>27.2441</u>	<u>27.5328</u>	<u>28.9040</u>	<u>30.0572</u>

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

Storage	1.2472	1.2448	1.6392	1.9576
Storage - Price Adjustment (1)	(0.0193)	(0.0193)	(0.0193)	(0.0193)
Commodity and Fuel	28.5823	28.8494	29.2137	29.5223
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Transportation	2.7311	2.7552	3.3670	3.8927
Transportation - Price Adjustment (1)	0.0143	0.0143	0.0143	0.0143
Total Gas Supply Charge	<u>26.3035</u>	<u>26.5923</u>	<u>27.9628</u>	<u>29.1155</u>

Notes:

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



# uniongas

Effective  
2008-01-01  
Schedule "A"  
Page 2 of 2

Union Gas Limited  
Northern and Eastern Operations Area  
Gas Supply Charges

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 20 (cents / m<sup>3</sup>)</u>				
Commodity and Fuel	28.8230	29.0924	29.4598	29.7710
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Commodity Transportation - Charge 1	2.1971	2.2058	2.6055	2.9409
Transportation 1 - Price Adjustment (1)	(0.0909)	(0.0909)	(0.0909)	(0.0909)
Commodity Transportation - Charge 2	0.1334	0.1310	0.2059	0.2733
Monthly Gas Supply Demand	25.3849	25.9164	42.8901	57.0782
Gas Supply Demand - Price Adjustment (1)	0.3573	0.3573	0.3573	0.3573
Commissioning and Decommissioning Rate	3.4043	3.4457	4.8965	6.1112
<u>Rate 100 (cents / m<sup>3</sup>)</u>				
Commodity and Fuel	28.8230	29.0924	29.4598	29.7710
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Commodity Transportation - Charge 1	3.8838	3.8903	4.1901	4.4417
Commodity Transportation - Charge 2	0.1334	0.1310	0.2059	0.2733
Monthly Gas Supply Demand	40.6945	41.2381	60.9906	77.5013
Commissioning and Decommissioning Rate	3.6520	3.6789	4.7779	5.6997
<u>Rate 25 (cents / m<sup>3</sup>)</u>				
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 0.3173 cents/m<sup>3</sup>.

Effective: January 1, 2008  
O.E.B. Order # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.

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<sup>3</sup> 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   |                    | \$ 16.00                      |
| b) | Delivery Charge  |                    |                               |
|    | First  | 100 m <sup>3</sup> | 6.0095¢ per m <sup>3</sup>    |
|    | Next   | 150 m <sup>3</sup> | 5.7026¢ per m <sup>3</sup>    |
|    | All Over   | 250 m <sup>3</sup> | 4.9765¢ per m <sup>3</sup>    |
|    | Delivery – Price Adjustment (All Volumes)  |                    | (0.0478) ¢ per m <sup>3</sup> |
| c) | Storage Charge (if applicable)   |                    | 1.0290¢ per m <sup>3</sup>    |
|    | Applicable to all bundled customers (sales and bundled transportation service).              |                    |                               |
| d) | Gas Supply Charge (if applicable)  |                    |                               |
|    | The gas supply charge is comprised of charges for transportation and for commodity and fuel. |                    |                               |
|    | The applicable rates are provided in Schedule "A".   |                    |                               |

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

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

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

**(E) Delayed Payment**

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

**(F) Direct Purchase**

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

**(G) Overrun Charge**

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. The customer may pay 7.0385¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup>.

**(H) Bundled Direct Purchase Delivery**

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

**(I) Company Policy Relating to Terms of Service**

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

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

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<sup>3</sup> 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 <sup>3</sup>	3.8640¢ per m <sup>3</sup>
	Next	6 000 m <sup>3</sup>	3.7900¢ per m <sup>3</sup>
	Next	13 000 m <sup>3</sup>	3.5692¢ per m <sup>3</sup>
	All Over	20 000 m <sup>3</sup>	3.3046¢ per m <sup>3</sup>
	Delivery – Price Adjustment (All Volumes)		(0.0478) ¢ per m <sup>3</sup>
c)	Storage Charge (if applicable)		0.7568¢ per m <sup>3</sup>
	Applicable to all bundled customers (sales and bundled transportation service).		
d)	Gas Supply Charge (if applicable)		
	The gas supply charge is comprised of charges for transportation and for commodity and fuel.		
	The applicable rates are provided in Schedule "A".		

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

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

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

**(E) Delayed Payment**

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

**(F) Direct Purchase**

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

**(G) Overrun Charge**

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. The customer may pay 4.6208¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup>.

**(H) Bundled Direct Purchase Delivery**

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

**(I) Company Policy Relating to Terms of Service**

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

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

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.

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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

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

**(C) Rates**

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

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

(i) A Monthly Demand Charge		
First	8 450 m <sup>3</sup> of daily contracted demand	46.5107¢ per m <sup>3</sup>
Next	19 700 m <sup>3</sup> of daily contracted demand	20.1794¢ per m <sup>3</sup>
All Over	28 150 m <sup>3</sup> of daily contracted demand	16.7579¢ per m <sup>3</sup>

(ii) A Monthly Delivery Commodity Charge	
First 422 250 m <sup>3</sup> delivered per month	0.9342¢ per m <sup>3</sup>
Next volume equal to 15 days use of daily contracted demand	0.9342¢ per m <sup>3</sup>
For remainder of volumes delivered in the month	0.5117¢ per m <sup>3</sup>

Delivery- Price Adjustment (All Volumes)	(0.0713)¢ per m <sup>3</sup>
--	------------------------------

(iii) Gas Supply Charge (if applicable)

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

2. Overrun Charge

Authorized overrun gas is available provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 103% of contracted daily demand. Authorized overrun will be available April 1 through October 31 and will be paid for at a Delivery Rate of 2.4633¢ per m<sup>3</sup> and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all volumes purchased.

Unauthorized overrun gas taken in any month shall be paid for at the rate of 7.0385¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all gas supply volumes purchased.

3. Minimum Annual Charge

In each contract year, the customer shall purchase from Union or pay for a minimum volume of gas or transportation services equivalent to 146 days use of contracted demand. Overrun gas volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery Charge of 1.2515¢ per m<sup>3</sup> and, if applicable a gas supply commodity charge provided in Schedule "A".

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



**(D) Delayed Payment**

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

**(E) Direct Purchase**

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

**(F) Bundled Direct Purchase Delivery**

Where a customer elects transportation service under this rate schedule the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.



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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

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

**(C) Rates**

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

**1. Interruptible Service**

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

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

<u>Daily Contracted Demand Level (CD)</u>	<u>Price per m<sup>3</sup></u>
4 800 m <sup>3</sup> ≤ CD < 17 000 m <sup>3</sup>	1.9978¢ per m <sup>3</sup>
17 000 m <sup>3</sup> ≤ CD < 30 000 m <sup>3</sup>	1.8679¢ per m <sup>3</sup>
30 000 m <sup>3</sup> ≤ CD < 50 000 m <sup>3</sup>	1.7996¢ per m <sup>3</sup>
50 000 m <sup>3</sup> ≤ CD < 70 000 m <sup>3</sup>	1.7517¢ per m <sup>3</sup>
70 000 m <sup>3</sup> ≤ CD < 100 000 m <sup>3</sup>	1.7174¢ per m <sup>3</sup>
100 000 m <sup>3</sup> ≤ CD ≤ 140 870 m <sup>3</sup>	1.6837¢ per m <sup>3</sup>

Delivery- Price Adjustment (All Volumes) (0.0409)¢ per m<sup>3</sup>

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

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

For 75 days use of contracted demand	.0530¢ per m <sup>3</sup>
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	.00212¢ per m <sup>3</sup>

**(iii) Gas Supply Charge (if applicable)**

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

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



2. In each contract year, the customer shall take delivery from Union, or in any event pay for, if available and not accepted by the customer, a minimum volume of gas or transportation services as specified in the contract between the parties and which will not be less than 700 000 m<sup>3</sup> per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery Charge of 2.3151¢ per m<sup>3</sup>, and if applicable, a gas supply charge provided in Schedule "A".

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

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

Unauthorized overrun gas taken in any month shall be paid for at the rate of 7.0385¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all gas supply volumes purchased.

4. Non-Interruptible Service

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

- a) The monthly demand charge for firm daily deliveries will be 28.0988¢ per m<sup>3</sup>.
- b) The commodity charge for firm service shall be the rate for firm service at Union's firm rates net of a monthly demand charge of 28.0988¢ per m<sup>3</sup> of daily contracted demand and a delivery commodity price adjustment of (0.0409)¢ per m<sup>3</sup>.
- c) The interruptible commodity charge will be established under Clause 1 of this schedule.

**(D) Delayed Payment**

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

**(E) Direct Purchase**

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

**(F) Bundled Direct Purchase Delivery**

Where a customer elects transportation service under this rate schedule the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

Effective

January 1, 2008  
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Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.



**SPECIAL LARGE VOLUME  
INDUSTRIAL AND COMMERCIAL CONTRACT RATE**

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a Customer

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

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

**(C) Rates**

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

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

- (i) A Monthly Demand Charge

- A negotiated Monthly Demand Charge of up to 25.9828¢ per m<sup>3</sup> for each m<sup>3</sup> of daily contracted firm demand.

- (ii) A Monthly Delivery Commodity Charge

- (1) A Monthly Firm Delivery Commodity Charge for all firm volumes of 0.3540¢ per m<sup>3</sup> for each m<sup>3</sup>, and a Delivery- Price Adjustment of 0.0162¢ per m<sup>3</sup>.

- (2) A Monthly Interruptible Delivery Commodity Charge for all interruptible volumes to be negotiated between Union and the customer not to exceed an annual average of 2.7947¢ per m<sup>3</sup>.

- (3) A Monthly Seasonal Delivery Commodity Charge for all seasonal volumes to be negotiated between Union and the customer not to exceed an annual average of 2.5506¢ per m<sup>3</sup>.

- (iii) Gas Supply Charge (if applicable)

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



(iv) **Overrun Gas**

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

Unauthorized overrun gas taken in any month shall be paid for at the 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<sup>3</sup> for all the gas supply volumes purchased.

2. In negotiating the Monthly Interruptible and Seasonal Commodity Charges, the matters to be considered include:
  - a) The volume of gas for which the customer is willing to contract,
  - b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for,
  - c) Interruptible or curtailment provisions, and
  - d) Competition.
3. In each contract year, the customer shall take delivery from Union, or in any event, pay for if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun gas volumes will not contribute to the minimum volume.
4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the "transition period"). In such event, the contract will provide for a Monthly Delivery Commodity Charge to be applied on such volume during the transition of 2.5277¢ per m<sup>3</sup> and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, if applicable.
5. Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

**(D) Delayed Payment**

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

**(E) Direct Purchase**

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

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

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



## LARGE WHOLESALE SERVICE RATE

### **(A) Availability**

Available to customers in Union's Southern Delivery Zone.

### **(B) Applicability**

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

### **(C) Rates**

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

1. (i) A Monthly Demand Charge of 17.3751¢ per m<sup>3</sup> of established daily demand determined in accordance with the service contract, such demand charge to be computed on a calendar month basis and a prorata charge to be made for the fraction of a calendar month which will occur if the day of first regular delivery does not fall on the first day of a month,
- (ii) A Delivery Commodity Charge of 0.5447¢ per m<sup>3</sup>, a Delivery- Price Adjustment of (0.0648)¢ per m<sup>3</sup> for gas delivered and,
- (iii) Gas Supply Charge (if applicable)

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

### **(D) Delayed Payment**

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

### **(E) Direct Purchase**

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

### **(F) Overrun Charge**

Authorized:

For all quantities on any day in excess of 103% of the customer's contractual rights, for which authorization has been received, the customer will be charged 1.1159¢ per m<sup>3</sup>. Overrun will be authorized by Union at its sole discretion.

Unauthorized:

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



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**(G) Bundled Direct Purchase Delivery**

Where a customer elects transportation service under this rate schedule the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.



## SMALL WHOLESALE SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

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

**(C) Rates**

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

1. A Delivery Commodity Charge of 2.7417¢ per m<sup>3</sup> for gas delivered
2. Gas Supply Charge (if applicable)

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

**(D) Delayed Payment**

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

**(E) Direct Purchase**

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

**(F) Overrun Charge**

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. This gas shall be paid for at the rate of 7.0385¢ per m<sup>3</sup> for the delivery and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup> for all gas supply volumes purchased.

**(G) Bundled Direct Purchase Delivery**

Where a customer elects transportation service under this rate schedule, the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

Effective January 1, 2008  
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Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.





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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

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

**(C) Rates**

	<u>Demand Charge Rate/GJ/month</u>	<u>Commodity Charges/Credits Rate/GJ</u>
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	\$3.916	
Backstop Gas Commodity Charge On all quantities supplied by Union to the Ontario Point(s) of Receipt		\$10.726
c) Reasonable Efforts Backstop Gas Paid on all quantities of gas supplied by Union to the customer's Point(s) of Consumption		\$10.617
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		\$3.250
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<sup>3</sup> or greater; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for use at facilities located within Union's gas franchise area; and
- c) who has meters with electronic recording at each Point of Consumption; and
- d) who has site specific energy measuring equipment installed at each Point of Consumption that will be used in determining energy balances; and
- e) for whom Union has determined transportation and/or storage capacity is available.

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

**(C) Rates**

The following rates shall be charged for all quantities contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

**STORAGE SERVICE:**

	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
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	\$2.005			
Customer provides deliverability Inventory (4)	\$1.064			
c) Incremental Firm Injection Right: Applied to the contracted Maximum Incremental Firm Injection Right	\$1.064			
d) Annual Interruptible Withdrawal Right: Applied to the contracted Maximum Annual Interruptible Withdrawal Right	\$1.064			



	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	For Customers Providing Their Own Compressor Fuel Fuel <u>Ratio</u>	Commodity Charge <u>Rate/GJ</u>
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		\$0.064	0.608%	\$0.007
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		\$0.064	0.608%	\$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. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union. Storage and withdrawal rights are for the exclusive purpose of meeting the requirements of the specific locations included in each contract.
4. Deliverability Inventory being defined as 20% of annual storage space.
5. Short Term Storage / Balancing Service is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term firm deliverability, OR
  - iii) a component of an operational balancing service offered.

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

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

**TRANSPORTATION CHARGES:**

	Demand Charge <u>Rate/m<sup>3</sup>/mo</u>	Commodity Charge <u>Rate/m<sup>3</sup></u>	For Customers Providing Their Own Compressor Fuel	
			Fuel Ratio (5) (6)	Commodity Charge <u>Rate/m<sup>3</sup></u>
a) Annual Firm Transportation Demand				
Applied to the Firm Daily Contract Demand				
First 140,870 m <sup>3</sup> per month	19.3384¢			
All over 140,870 m <sup>3</sup> per month	13.2144¢			
b) Firm Transportation Commodity				
Paid on all firm quantities redelivered to the customer's Point(s) of Consumption				
First 2,360,653 m <sup>3</sup> per month		0.3663¢	0.561%	0.1669¢
All over 2,360,653 m <sup>3</sup> per month		0.2824¢	0.561%	0.0830¢
c) Interruptible Transportation Commodity				
Paid on all interruptible quantities redelivered to the customer's Point(s) of Consumption				
Maximum		2.7947¢	0.561%	2.5953¢

**Notes:**

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



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

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

#### **SUPPLEMENTAL CHARGES:**

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

Notes:

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

#### **OVERRUN SERVICE:**

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

Authorized

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

Unauthorized

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

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

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

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

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

	Union Providing <u>Fuel</u>	For Customers Providing Their Own Compressor Fuel <u>Firm or Interruptible Service</u>	
	Firm or Interruptible <u>Service</u>	Fuel <u>Ratio</u>	Commodity <u>Charge</u>
Storage Injections	\$0.172/GJ	1.04%	\$0.073/GJ
Storage Withdrawals	\$0.172/GJ	1.04%	\$0.073/GJ
Transportation	1.0021 ¢/m <sup>3</sup>	0.561%	0.8027 ¢/m <sup>3</sup>

**Unauthorized**

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 7.0385¢ per m<sup>3</sup> or \$1.873 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 <u>Rate/GJ</u>
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	\$1 800
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**2. Diversion of Gas**

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

**3. Delivery Obligations**

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

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

**4. Nominations**

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day who have non obligated deliveries may contract to use Union's 5 additional nomination windows (13 in total) for the purposes of delivering gas to Union. These windows are in addition to the standard NAESB and TCPL STS nomination windows. Customers taking the additional nomination window service will pay an additional monthly demand charge of \$0.701/GJ/day/month multiplied by the non-obligated daily contract quantity.

**5. Additional Service Information**

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

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





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**(D) Delayed Payment**

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

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Chatham, Ontario

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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a Distributor:

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

**(C) Rates**

The following rates shall be charged for all quantities contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

**STORAGE SERVICE**

	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
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	\$2.005			
Customer provides deliverability Inventory (4)	\$1.064			
c) Incremental Firm Injection Right Applied to the contracted Maximum Incremental Firm Injection Right	\$1.064			
d) Annual Interruptible Withdrawal Right Applied to the contracted Maximum Annual Interruptible Withdrawal Right	\$1.064			



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	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		\$0.064	0.608%	\$0.007
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		\$0.064	0.608%	\$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. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.
4. Deliverability Inventory being defined as 20% of annual storage space.
5. Short Term Storage / Balancing Service is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term firm deliverability, OR
  - iii) a component of an operational balancing service offered.

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

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

**TRANSPORTATION CHARGES**

	Demand Charge <u>Rate/m<sup>3</sup>/mo</u>	Commodity Charge <u>Rate/m<sup>3</sup></u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/m<sup>3</sup></u>
a) Annual Firm Transportation Demand (1) Applied to the Firm Daily Contract Demand	9.1877¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the Customer's Point(s) of Redelivery		0.3288¢	0.734%	0.0679¢

## Notes:

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

**SUPPLEMENTAL CHARGES**

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

## Notes:

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

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

## Authorized

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

## Unauthorized

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

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

**2. Injection, Withdrawals and Transportation**

## Authorized

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

	Union Providing <u>Fuel</u>	For Customers Providing Their Own Compressor Fuel <u>Firm or Interruptible Service</u>	
	Firm or Interruptible <u>Service</u>	Fuel <u>Ratio</u>	Commodity <u>Charge</u>
Storage Injections	\$0.172/GJ	1.04%	\$0.073/GJ
Storage Withdrawals	\$0.172/GJ	1.04%	\$0.073/GJ
Transportation	0.6309¢/m <sup>3</sup>	0.734%	0.3700¢/m <sup>3</sup>

## Unauthorized

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m<sup>3</sup> or \$9.554 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 <u>Rate/GJ</u>
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:

	<u>Monthly Charge</u>
City of Kitchener	\$ 17,489
NRG	\$ 2,665
Six Nations	\$ 888

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

**2. Diversion of Gas**

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

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

**(D) Delayed Payment**

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





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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

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

	<u>Demand Charge</u> <u>Rate/GJ/mo</u>	<u>Fuel</u> <u>Ratio</u>	<u>Commodity Charge</u> <u>Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.022		
b) Injection Commodity		0.608%	\$0.015
c) Withdrawal Commodity		0.608%	\$0.015
ii) Standard Peaking Service (SPS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.107		
b) Injection Commodity		0.608%	\$0.015
c) Withdrawal Commodity		1.04%	\$0.015



	<u>Demand Charge</u> <u>Rate/GJ/mo</u>	<u>Fuel</u> <u>Ratio</u>	<u>Commodity Charge</u> <u>Rate/GJ</u>
iii) Supplemental Service			
a) Incremental Firm Injection Right: (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.969		
b) Incremental Firm Withdrawal Right: (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.969		
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

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.04%	\$0.047
Withdrawal	1.04%	\$0.047

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

## Unauthorized

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

**OTHER SERVICES & CHARGES**

1. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

**(D) Delayed Payment**

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

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.



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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To an interruptible industrial and commercial customer:

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

**(C) Rates**

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

**STORAGE SERVICE**

	Demand Charge <u>Rate/GJ/mo</u>	Fuel <u>Ratio</u>	Commodity Charge <u>Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.022		
b) Injection Commodity		0.608%	\$0.015
c) Withdrawal Commodity		0.608%	\$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.969		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.969		
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**

<u>Daily Contracted Demand Level (CD)</u>	<u>Price per m<sup>3</sup></u> (¢/m <sup>3</sup> )
4 800 m <sup>3</sup> ≤ CD < 17 000 m <sup>3</sup>	1.5734
17 000 m <sup>3</sup> ≤ CD < 30 000 m <sup>3</sup>	1.4435
30 000 m <sup>3</sup> ≤ CD < 50 000 m <sup>3</sup>	1.3752
50 000 m <sup>3</sup> ≤ CD < 70 000 m <sup>3</sup>	1.3273
70 000 m <sup>3</sup> ≤ CD < 100 000 m <sup>3</sup>	1.2930
100 000 m <sup>3</sup> ≤ CD ≤ 140 870 m <sup>3</sup>	1.2593

**(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 m <sup>3</sup> minimum
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	.00212¢ per m <sup>3</sup> minimum

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



2. In each contract year, the customer shall take delivery from the Company or in any event pay for if available and not accepted by the customer, a minimum volume of gas or delivery services as specified in the contract between the parties and which will not be less than 700 000 m<sup>3</sup> per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery charge of 1.5832¢ per m<sup>3</sup>.

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

3. **Non-Interruptible Service**

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

- a) The monthly demand charge for firm daily deliveries will be 22.2690¢ per m<sup>3</sup>.
- b) The commodity charge for firm service shall be the rate for firm service at the Company's firm rates net of a monthly demand charge of 22.2690¢ per m<sup>3</sup> of daily contracted demand.
- c) The interruptible commodity charge will be established under Clause 1 of "Delivery Service" of this schedule.

**OVERRUN SERVICE**

**1. Injection and Withdrawal**

Authorized

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.04%	\$0.047
Withdrawal	1.04%	\$0.047

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 7.0385¢ per m<sup>3</sup>.

**OTHER SERVICES & CHARGES**

1. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

**2. Nomination Variances**

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

**(D) Delayed Payment**

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



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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer:

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

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

**(C) Rates**

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

**STORAGE SERVICE**

	<u>Demand Charge</u> <u>Rate/GJ/mo</u>	<u>Fuel</u> <u>Ratio</u>	<u>Commodity Charge</u> <u>Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.022		
b) Injection Commodity		0.608%	\$0.015
c) Withdrawal Commodity		0.608%	\$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.969		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.969		
c) Short Term Storage / Balancing Service - Maximum			\$6.000

**Notes:**

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

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

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

**DELIVERY SERVICE**

	Demand Charge <u>Rate/m<sup>3</sup>/mo</u>	Fuel <u>Ratio (5) (6)</u>	Commodity Charge <u>Rate/ m<sup>3</sup></u>
a) Annual Firm Delivery Demand			
Applied to the Firm Daily Contracted Demand			
First 140,870 m <sup>3</sup> per month	19.3384¢		
All over 140,870 m <sup>3</sup> per month	13.2144¢		
b) Firm Delivery Commodity			
Paid on all firm volumes redelivered to the customer's Point(s) of Consumption			
First 2,360,653 m <sup>3</sup> per month		0.561%	0.1669¢
All over 2,360,653 m <sup>3</sup> per month		0.561%	0.0830¢
c) Interruptible Delivery Commodity			
Paid on all interruptible volumes redelivered to the customer's Point of Consumption – Maximum		0.561%	2.5953¢



Notes:

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

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

## Authorized

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.04%	\$0.047
Withdrawal	1.04%	\$0.047

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

## Unauthorized

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

**2. Delivery**

## Authorized

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

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/ m<sup>3</sup></u>
Delivery	0.561%	0.8027¢

## 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 7.0385¢ per m<sup>3</sup>.

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

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

Monthly Charge	\$1 800 per month
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**2. Delivery Obligations**

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

Unless otherwise authorized by Union, all other customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

**3. Nominations**

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day who have non obligated deliveries may contract to use Union's 5 additional nomination windows (13 in total) for U7 storage services, U7 delivery services and U7 gas supply receipts. These windows are in addition to the standard NAESB and TCPL STS nomination windows. Customers taking the additional nomination window service will pay an additional monthly demand charge of \$0.701/GJ/day/month multiplied by the non-obligated daily contract quantity.

**4. Nomination Variances**

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



**5. Additional Service Information**

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

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

**(D) Delayed Payment**

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

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

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a Distributor

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

**(C) Rates**

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

**STORAGE SERVICE**

	<u>Demand Charge Rate/GJ/mo</u>	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.022		
b) Injection Commodity		0.608%	\$0.015
c) Withdrawal Commodity		0.608%	\$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.969		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.969		
c) Short Term Storage / Balancing Service - Maximum			\$6.000

**Notes:**

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

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

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

**DELIVERY SERVICE**

	Demand Charge <u>Rate/ m<sup>3</sup>/mo</u>	Fuel <u>Ratio</u>	Commodity Charge <u>Rate/ m<sup>3</sup></u>
a) Annual Firm Delivery Demand (1) Applied to the Firm Daily Contracted Demand	9.1877¢		
b) Firm Delivery Commodity Paid on all firm volumes redelivered to the customer's Point(s) of Consumption		0.734%	0.0679¢

**Notes:**

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



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

## Authorized

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.04%	\$0.047
Withdrawal	1.04%	\$0.047

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

## Unauthorized

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

**2. Delivery**

## Authorized

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

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/ m<sup>3</sup></u>
Delivery	0.734%	0.3700¢

## Unauthorized

For all volumes on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m<sup>3</sup> or \$9.554 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:

	<u>Monthly Charge</u>
City of Kitchener	\$17 489
NRG	\$ 2 665
Six Nations	\$ 888

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%.



**uniongas**

Effective  
2008-01-01  
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 M2, M4, M5A, M7, M9, M10 and storage and transportation customers taking supplemental services under rates T1 and T3.

**(C) Rates:**

cents / m<sup>3</sup>

Utility Sales

Commodity and Fuel	29.5223 (1)
Commodity and Fuel - Price Adjustment	(4.5888)
Transportation	3.3287
Total Gas Supply Commodity Charge	<u>28.2622</u>

Minimum Annual Gas Supply Commodity Charge

Rate M4 Firm and Rate M5A Interruptible Contract	4.9515
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Storage and Transportation Supplemental Services - Rate T1 & T3

\$/GJ

Monthly demand charges:	
Firm gas supply service	29.027
Firm backstop gas	3.916
Commodity charges:	
Gas supply	7.846
Backstop gas	10.726
Reasonable Efforts Backstop Gas	10.617
Supplemental Inventory	Note (2)
Supplemental Gas Sales Service (cents / m <sup>3</sup> )	42.7118
Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails	3.250
Discretionary Gas Supply Service (DGSS)	Note (3)

Notes:

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

Effective: January 1, 2008  
O.E.B. Order # EB-2007-0606

Chatham, Ontario

Supersedes EB-2007-0720 Rate Schedule effective October 1, 2007.



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 LST045 expiring March 31, 2008, 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) <u>Rate/GJ</u>	Commodity and Fuel Changes		
		Fuel Ratio <u>%</u>	<u>AND</u>	Commodity Charge <u>Rate/GJ</u>
<u>Storage (1)</u>				
Space – Shipper Providing Deliverability (2)	\$0.010			
Deliverability - Firm	\$1.064			
Injection		0.608%		\$0.007
Withdrawal		0.608%		\$0.007
<u>Firm Transportation (3)</u>				
Dawn to Oakville/Parkway	\$2.423	Monthly fuel rates and ratios shall be in accordance with schedule "C".		
Dawn to Kirkwall	\$2.063			
Parkway to Dawn	n/a			
<u>Limited Firm/Interruptible Transportation (3)</u>				
Dawn to Parkway – Maximum	\$5.815	Monthly fuel rates and ratios shall be in accordance with schedule "C".		
Dawn to Kirkwall - Maximum	\$5.815			
Parkway (TCPL) to Parkway (Cons) (4)		0.333%		

**(C) Rates (Cont'd)****Authorized Overrun (6)**

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 Charge Rate/GJ	Commodity and Fuel Changes	
		Fuel Ratio %	AND Commodity Charge Rate/GJ
Storage Commodity:			
Injection	n/a	1.04%	\$0.042
Withdrawal	n/a	1.04%	\$0.042
Transportation Overrun			
Dawn to Parkway	Monthly fuel rates and ratios shall be in accordance with schedule "C".		\$0.080
Dawn to Kirkwall			\$0.068
Parkway to Dawn			\$0.080
Parkway (TCPL) Overrun (7)	n/a	0.55%	n/a

**Unauthorized Overrun (8)**

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 LST045 expiring March 31, 2008, 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 interruption basis. This will be in addition to any rate or ratio paid for transportation easterly to Parkway (Cons) or Lisgar.



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

- (8) A demand charge of \$0.701/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 31<sup>st</sup> 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.

$$YCR = \sum_1^4 [(0.003331 \times (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \text{ For June 1 to Sept. 30}$$

plus

$$\sum_5^{12} [(0.003331 \times (QT1 + Q3)) + (DWFxQT1) + F_{WT}] \text{ For Oct. 1 to May 31}$$

$$YCRR = \sum_1^4 [(0.003331 \times (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \times R \text{ For June 1 to Sept. 30}$$

plus

$$\sum_5^{12} [(0.003331 \times (QT1 + Q3)) + (DWFxQT1) + F_{WT}] \times R \text{ For Oct. 1 to May 31}$$

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).





**(D) Transportation Commodity (cont'd)**

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

F<sub>WT</sub> 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<sub>ST</sub> 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 31<sup>st</sup>.



**(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".

**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<sup>3</sup>) 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<sup>3</sup>" shall mean cubic metre of gas and "10<sup>3</sup>m<sup>3</sup>" 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<sup>3</sup>) or one thousand cubic metres (10<sup>3</sup>m<sup>3</sup>) 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**

*Intentionally blank*

## **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.



**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, 2008

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	0.78	0.073	0.78	0.073	0.33	0.031
May	0.63	0.060	0.63	0.060	0.33	0.031
June	0.42	0.040	0.33	0.031	0.42	0.040
July	0.36	0.034	0.33	0.031	0.36	0.034
August	0.36	0.034	0.33	0.031	0.36	0.034
September	0.37	0.035	0.35	0.033	0.37	0.035
October	0.76	0.071	0.71	0.067	0.33	0.031
November	0.96	0.091	0.78	0.073	0.33	0.031
December	1.19	0.112	0.97	0.091	0.33	0.031
January	1.33	0.125	1.09	0.103	0.33	0.031
February	1.23	0.116	1.01	0.095	0.33	0.031
March	1.06	0.100	0.87	0.082	0.33	0.031

**UNION GAS LIMITED**  
**M12 Monthly Transportation Authorized Overrun Fuel Ratios and Rates**  
 Firm or Interruptible Transportation Commodity  
Effective January 1, 2008

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	1.38	0.210	1.38	0.198	0.94	0.168
May	1.24	0.197	1.24	0.185	0.94	0.168
June	1.03	0.177	0.94	0.157	1.03	0.177
July	0.97	0.171	0.94	0.157	0.97	0.171
August	0.96	0.171	0.94	0.157	0.96	0.171
September	0.98	0.172	0.96	0.158	0.98	0.172
October	1.36	0.208	1.32	0.192	0.94	0.168
November	1.57	0.228	1.38	0.198	0.94	0.168
December	1.80	0.249	1.57	0.216	0.94	0.168
January	1.93	0.262	1.70	0.228	0.94	0.168
February	1.83	0.253	1.61	0.220	0.94	0.168
March	1.67	0.237	1.47	0.207	0.94	0.168





**uniongas**

Effective  
2008-01-01  
**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**

	<b><u>Demand Charge Rate/Month</u></b>	<b><u>Commodity Charge Union Provides Fuel Rate/GJ</u></b>	<b><u>Customer Provides Own Fuel  Fuel Ratio</u></b>
1. Monthly fixed charge per Customer Station	\$671		
2. Transmission Commodity Charge		\$0.026	
3. Delivery Commodity Charge		\$ 0.031	0.333%

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 \$0.091/GJ. Overrun will be authorized at Union's sole discretion.

	<b><u>Commodity Charge Union Provides Fuel Rate/GJ</u></b>	<b><u>Customers Provides Own Fuel Commodity Charge Rate/GJ</u></b>	<b><u>Fuel Ratio</u></b>
Authorized Overrun Charge	\$0.091	\$0.059	0.333%

**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, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2005-0520 Rate Schedule effective January 1, 2007.





**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<sup>3</sup>" shall mean cubic metre of gas and "10<sup>3</sup>m<sup>3</sup>" 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<sup>3</sup>) 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<sup>3</sup>m<sup>3</sup>. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m<sup>3</sup>) or one thousand cubic metres (10<sup>3</sup>m<sup>3</sup>) 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. 1986-16, 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) \$760

Transmission Commodity Charge to Dawn (\$ per GJ) \$0.026

	<b>Customers located East of Dawn</b>	<b>Customers located West of Dawn</b>
Transportation Fuel		
<b>Fuel Charges to Dawn:</b>		
Commodity Rate - Union provides fuel (\$ per GJ)	\$0.031	\$0.031
Fuel Ratio - customer provides fuel (%)	0.333%	0.333%
<b>Fuel Charge to the Pool</b>		
Commodity Rate - Union provides fuel (\$ per GJ)	\$0.041	\$0.048
Fuel Ratio - customer provides fuel (%)	0.430%	0.504%

**b) Firm Transportation Demand Charges: (2)**

	<b>Customers located East of Dawn</b>	<b>Customers located West of Dawn</b>
Monthly Demand Charge applied to contract demand (\$ per GJ)	\$0.754	\$1.027

**Authorized Overrun:**

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

	<b>Customers located East of Dawn</b>	<b>Customers located West of Dawn</b>
Firm Transportation:		
<b>Charges to Dawn</b>		
Commodity Rate - Union provides fuel (\$ per GJ)	\$0.082	\$0.091
Commodity Rate - customer provides fuel (\$ per GJ)	\$0.050	\$0.059
Fuel Ratio - customer provides fuel (%)	0.333%	0.333%
<b>Charges to the Pool</b>		
Commodity Rate - Union provides fuel (\$ per GJ)	\$0.065	\$0.081
Commodity Rate - customer provides fuel (\$ per GJ)	\$0.025	\$0.034
Fuel Ratio - customer provides fuel (%)	0.430%	0.504%

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".

Effective

January 1, 2008  
O.E.B. ORDER #EB-2007-0606

Chatham, Ontario

Supersedes EB-2005-0520 Rate Schedule effective January 1, 2007.

**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<sup>3</sup>" shall mean cubic metre of gas and "10<sup>3</sup>m<sup>3</sup>" 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<sup>3</sup>) 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<sup>3</sup>) or one thousand cubic metres (10<sup>3</sup>m<sup>3</sup>) 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.

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

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

### (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) <u>Rate/GJ</u>	Commodity Charges			
		If Union supplies fuel Commodity Charge		If Shipper supplies fuel Fuel Ratio	
		Apr.1-Oct.31 <u>Rate/GJ</u>	Nov.1-Mar.31 <u>Rate/GJ</u>	Apr.1-Oct.31 <u>%</u>	Nov.1-Mar.31 <u>%</u>
a) Firm Transportation					
Between:					
St. Clair & Dawn	\$1.027	\$0.034	\$0.041	0.358%	0.438%
Ojibway & Dawn	\$1.027	\$0.048	\$0.054	0.504%	0.575%
Bluewater & Dawn	\$1.027	\$0.034	\$0.041	0.358%	0.438%
From:					
Parkway to Kirkwall	\$0.561	\$0.034	\$0.031	0.359%	0.333%
Parkway to Dawn	\$0.561	\$0.034	\$0.031	0.359%	0.333%
Dawn to Kirkwall	\$2.063	\$0.050	\$0.109	0.526%	1.154%
Dawn to Parkway	\$2.423	\$0.050	\$0.109	0.526%	1.154%
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	\$0.043	n/a	n/a	0.208%	n/a
d) Interruptible Transportation between two points within Dawn*					
*includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh) and Dawn (Vector)				0.333%	0.333%



**(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		Commodity Charge Rate/GJ
	Apr.1-Oct.31 Rate/GJ	Nov.1-Mar.31 Rate/GJ	Apr.1-Oct.31 %	Nov.1-Mar.31 %	
a) Firm Transportation					
Between:					
St.Clair & Dawn	\$0.068	\$0.075	0.358%	0.438%	\$0.034
Ojibway & Dawn	\$0.081	\$0.088	0.504%	0.575%	\$0.034
Bluewater & Dawn	\$0.068	\$0.075	0.358%	0.438%	\$0.034
From:					
Parkway to Kirkwall	\$0.052	\$0.050	0.966%	0.941%	\$0.018
Parkway to Dawn	\$0.052	\$0.050	0.966%	0.941%	\$0.018
Dawn to Kirkwall	\$0.117	\$0.177	1.134%	1.762%	\$0.068
Dawn to Parkway	\$0.129	\$0.189	1.134%	1.762%	\$0.080
b) Firm Transportation within Dawn					
Dawn to Dawn-Vector	n/a	n/a	0.448%	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".

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0606

Chatham, Ontario

Supersedes EB-2005-0520 Rate Schedule effective January 1, 2007.

**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<sup>3</sup>) 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<sup>3</sup>" shall mean cubic metre of gas and "10<sup>3</sup>m<sup>3</sup>" 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 subjecting 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<sup>3</sup>) or one thousand cubic metres (10<sup>3</sup>m<sup>3</sup>) 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. 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 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**

*Intentionally blank*

## **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.



**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.



UNION GAS LIMITED  
 Infranchise Customers  
 Summary of Average Rate and Price Adjustment Changes for Rates 25, M5A, M7 and T1  
Effective January 1, 2008

Line No.	Particulars (cents / m <sup>3</sup> )	Monthly Charge Increase / (Decrease) (a)	Monthly Demand Charge Increase / (Decrease) (b)	Delivery Commodity Charge Increase / (Decrease) (c)	Delivery - Price Adjustment Increase / (Decrease) (d)
	Rate 25				
1	Fort Frances			0.0447	
2	Western Zone			0.0447	
3	Northern Zone			0.0447	
4	Eastern Zone			0.0447	
	M5A				
5	Firm		0.5203	0.1068	
6	Interruptible			0.0959	
	M7				
7	Interruptible			0.0185	
8	Seasonal			0.0185	
	T1-Interruptible				
9	Transportation - Union supplied fuel			0.0201	
10	Transportation - Customer supplied fuel			0.0176	

**TAB 3**



**EB-2007-0606**  
**2008 Rates**  
**Index of Schedules**

Schedule 1	Calculation of Price Cap Index
Schedule 2	Calculation of Storage Premium Adjustment Factor
Schedule 3	Summary of 2008 Proposed Rates
Schedule 4	Detailed In-franchise and Ex-franchise Rates
Schedule 5	Rate Impact Continuity
Schedule 6	Unbundled Delivery Rate Detail - Southern Operations Area
Schedule 7	Storage Rate Detail – Southern Operations Area
Schedule 8	Storage Rate Detail – Northern & Eastern Operations Area
Schedule 9	Calculation of Supplemental Service Charges
Schedule 10	Percentage Change in Average Unit Price – In-franchise Rate Classes
Schedule 11	General Service Customer Bill Impacts for Rates M1, M2, 01, 10
Schedule 12	Impact of Weather Normalization Methodology Change
Schedule 13	Calculation of 2005 and 2006 LRAM Volume Adjustment
Schedule 14	Total Delivery and Storage Revenue
Schedule 15	Summary of S&T Transactional Margin Included in 2008 Rates

UNION GAS LIMITED  
Calculation of Price Cap Index  
For the Year Ended December 31, 2008

Line No.	Particulars					
	<u>Annual % Change in GDP IPI FDD (1)</u>					
1	July - September, 2006			1.70%		
2	October - December, 2006			1.98%		
3	January - March, 2007			1.96%		
4	April - June, 2007			<u>2.52%</u>		
5	Average % Change			2.04%		
		<u>Average % Change</u>	<u>X Factor Excluding Stretch and AU</u>	<u>Adjusted AU Factor</u>	<u>Net X Factor</u>	<u>PCI</u>
		(a)	(b)	(c)	(d) = (b+c)	(e) = (a-d)
6	General Service (2)	2.04%	0.74%	-1.12%	-0.38%	2.42%
7	All Other (2)	2.04%	0.74%	0.00%	0.74%	1.30%

Notes:

(1) EB-2007-0606, Exhibit D, Tab 1, Appendix A

(2) EB-2007-0606, Exhibit B, Tab 1, Page 37, Table 3

UNION GAS LIMITED  
Calculation of Price Cap Adjustment  
For the Year Ended December 31, 2008

Line No.	Particulars (\$000's)	General Service (a)	In-franchise Contract (b)	Total In-franchise (c) = (a+b)	Cost Based Ex-franchise (d)	Total Company (e) = (c+d)
	<u>Calculation of Price Cap Base Revenue</u>					
1	2007 Approved Revenue (1)	639,434	125,039	764,473	191,216	955,689
	Current year's pre-cap adjustments:					
2	DSM	(10,688)	(6,312)	(17,000)		(17,000) (2)
3	Upstream Transportation	(54,833)	(7,363)	(62,196)		(62,196) (3)
4	Storage Premium Adjustment	3,241	516	3,756		3,756 (4)
5	Price Cap Base Revenue	<u>577,154</u>	<u>111,879</u>	<u>689,034</u>	<u>191,216</u>	<u>880,250</u>
6	2008 Price Cap Adjustment (Line 5 * PCI %)	<u>13,967</u>	<u>1,454</u>	<u>15,422</u>	<u>2,486</u>	<u>17,907</u>
7	PCI % - General Service	2.42% (5)				
8	PCI % - All Other	1.30% (6)				

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 5, Column (f), adjusted for TCPL toll update (EB-2007-0053, Schedule 5, Page 2, Working Papers, and EB-2007-0634, Schedule 5, Page 2, Working Papers), and Enbridge contract LST045 moving to market prices (EB-2005-0551)
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (3) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (4) EB-2007-0606, Exhibit D, Tab 3, Schedule 2, Line 10
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 1, Page 1, Line 6, Column (e)
- (6) EB-2007-0606, Exhibit D, Tab 3, Schedule 1, Page 1, Line 7, Column (e)

UNION GAS LIMITED  
Calculation of Storage Premium Adjustment Factor  
For the Year Ended December 31, 2008

Line No.	Particulars (\$000's)	
	<u>Calculation of Base Revenue Adjustment</u>	
1	2007 Approved In-franchise Revenue	764,473 (1)
	Adjustments to 2007 Base Revenue	
2	2007 DSM	(17,000) (2)
3	Upstream Transportation	(62,196) (3)
4	Compressor Fuel and UFG	(36,847) (4)
5	In-Franchise Storage	(61,208) (5)
6	Adjusted Base Revenue - In-franchise	<u>587,222</u>
	<u>Calculation of Storage Premium Adjustment Factor for In-franchise Rate Classes</u>	
7	2008 Long Term Storage Premium Adjustment	3,211 (6)
8	Short Term Storage and Balancing Services Adjustment	2,992 (7)
9	Proposed Change to the Sharing of Forecast S&T Transactional Margin	(2,446) (8)
10	Total Storage Premium Adjustment	<u>3,756</u>
11	Storage Premium Adjustment Factor (line 10/line 6)	0.64%

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 5, Column (f), adjusted for approved TCPL tolls.  
as per EB-2007-0053, Working Papers, Schedule 5, Page 2 and EB-2007-0634, Working Papers, Schedule 5, Page 2
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (3) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (4) EB-2005-0520, Exhibit G3, Tab 2, Schedules 4-21, updated for EB-2005-0520 Board Decision
- (5) EB-2005-0520, Exhibit G3, Tab 2, Schedules 4-21, updated for EB-2005-0520 Board Decision
- (6) EB-2007-0606, Exhibit D, Tab 3, Schedule 15, Line 8, Column (f)
- (7) EB-2007-0606, Exhibit D, Tab 3, Schedule 15, Line 7, Column (f)
- (8) EB-2007-0606, Exhibit D, Tab 3, Schedule 15, Line 3 plus Line 9, Column (f)

UNION GAS LIMITED  
Summary of 2008 Proposed Rates  
Effective January 1, 2008

Line No.	Particulars	Current Approved Revenue (1) (\$000's) (a)	Current Approved Rates (2) (cents / m³) (b)	Adjustments to 2007 Base Rates				Adjusted Revenue (\$000's) (g)=(a+c+d+e+f)	Storage Premium Adjustment (\$000's) (h)	Storage Premium Adjustment (%) (i)	Add Back Compressor Fuel, UFG & Storage (\$000's) (j)	Adjusted Revenue (\$000's) (k)=(g+h+j)	Price Cap Index (\$000's) (l)	Price Cap Index (%) (m)
				2007 DSM (\$000's) (c)	Upstream Transportation (\$000's) (d)	Compressor Fuel & UFG (\$000's) (e)	In-Franchise Storage (\$000's) (f)							
Delivery North														
1	R01	132,952	15.0603	(1,626)	(1,737)	(563)	0	129,027	825	0.64%	563	130,415	3,156	2.42%
2	R10	21,882	5.8282	(1,402)	(517)	(112)	0	19,851	127	0.64%	112	20,090	486	2.42%
3	R20	7,444	1.4163	(1,009)	(69)	(21)	0	6,345	41	0.64%	21	6,407	83	1.30%
4	R25	2,402	2.2956	0	0	0	0	2,402	15	0.64%	0	2,418	31	1.30%
5	R77	28	30.1758	0	0	0	0	28	0	0.64%	0	28	0	1.30%
6	R100	16,153	0.7100	(1,622)	(236)	(285)	0	14,010	90	0.64%	285	14,384	187	1.30%
7	Total North Delivery	180,861		(5,659)	(2,559)	(981)	0	171,662	1,098		981	173,742	3,944	
In-franchise South Delivery & Storage														
8	M1	359,454	12.8212	(5,417)	0	(8,870)	(25,171)	319,996	2,047	0.64%	34,041	356,084	8,617	2.42%
9	M2	51,350	4.7554	(2,244)	0	(5,467)	(6,753)	36,886	236	0.64%	12,220	49,342	1,194	2.42%
10	M4	13,769	3.0394	(1,840)	0	(1,648)	(1,728)	8,554	55	0.64%	3,376	11,984	156	1.30%
11	M5	8,038	1.9865	0	0	(1,377)	(846)	5,815	37	0.64%	2,223	8,075	105	1.30%
12	M7	6,670	2.4033	(699)	0	(973)	(1,244)	3,754	24	0.64%	2,217	5,995	78	1.30%
13	M9	592	2.4159	0	0	(94)	(200)	299	2	0.64%	294	594	8	1.30%
14	M10	5	2.6978	0	0	(1)	(2)	3	0	0.64%	3	5	0	1.30%
15	T1	55,033	1.1254	(1,142)	0	(11,036)	(6,746)	36,110	231	0.64%	17,781	54,122	704	1.30%
16	T3	5,588	1.7385	0	0	(1,187)	(1,214)	3,187	20	0.64%	2,401	5,609	73	1.30%
17	Total South Delivery	500,500		(11,341)	0	(30,653)	(43,904)	414,603	2,652		74,556	491,811	10,934	
18	Total In-franchise Delivery	681,362		(17,000)	(2,559)	(31,634)	(43,904)	586,266	3,750		75,537	665,553	14,879	

Notes:

- (1) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Column (b)  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Column (c)

UNION GAS LIMITED  
Summary of 2008 Proposed Rates  
Effective January 1, 2008

Line No.	Particulars	2008 DSM (\$000's) (n)	Add Back Upstream Transportation (\$000's) (o)	2008 GDAAR (\$000's) (p)	Proposed Revenue (\$000's) (q)=(k)+n+o+p)	Proposed Rates (cents / m <sup>3</sup> ) (r)	Rate Change Excl. Weather (%) (s)	Rate Change Incl. Weather (%) (t)
<b>Delivery North</b>								
1	R01	1,788	1,737	378	137,474	15.5735	3.4%	6.0%
2	R10	1,542	517	4	22,639	5.9817	2.6%	4.3%
3	R20	1,110	69	0	7,669	1.4496	2.3%	2.3%
4	R25	0	0	0	2,449	2.3403	1.9%	1.9%
5	R77	0	0	0	28	30.7636	1.9%	1.9%
6	R100	1,785	236	0	16,592	0.7274	2.4%	2.4%
7	Total North Delivery	6,225	2,559	382	186,851		3.3%	-
<b>In-franchise South Delivery &amp; Storage</b>								
8	M1	5,958	0	1,252	371,912	13.2734	3.5%	5.7%
9	M2	2,469	0	9	53,014	4.8814	2.6%	4.6%
10	M4	2,024	0	0	14,164	2.9873	-1.7%	-1.7%
11	M5	0	0	0	8,180	2.1034	5.9%	5.9%
12	M7	769	0	0	6,842	2.4196	0.7%	0.7%
13	M9	0	0	0	602	2.4552	1.6%	1.6%
14	M10	0	0	0	6	2.7417	1.6%	1.6%
15	T1	1,256	0	0	56,082	1.1485	2.1%	2.1%
16	T3	0	0	0	5,682	1.7675	1.7%	1.7%
17	Total South Delivery	12,475	0	1,261	516,482		3.2%	-
18	Total In-franchise Delivery	18,700	2,559	1,643	703,333		3.2%	-

UNION GAS LIMITED  
Summary of 2008 Proposed Rates  
Effective January 1, 2008

Line No.	Particulars	Current Approved Revenue (1)	Current Approved Rates (2)	Adjustments to 2007 Base Rates				Adjusted Revenue	Storage Premium Adjustment	Storage Premium Adjustment	Add Back Compressor Fuel, UFG & Storage	Adjusted Revenue	Price Cap Index	Price Cap Index
		(\$000's)	(cents / m <sup>3</sup> )	2007 DSM (\$000's)	Upstream Transportation (\$000's)	Compressor Fuel & UFG (\$000's)	In-Franchise Storage (\$000's)	(\$000's)	(\$000's)	(%)	(\$000's)	(\$000's)	(\$000's)	(%)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)=(a+c+d+e+f)	(h)	(i)	(j)	(k)=(g+h+j)	(l)	(m)
<u>Northern Transportation and Storage</u>														
1	R01	54,225	5.9897	0	(37,681)	(2,992)	(12,735)	817	5	0.64%	15,727	16,549	400	2.42%
2	R10	19,572	5.1622	0	(14,898)	(595)	(4,060)	18	0	0.65%	4,655	4,674	113	2.42%
3	R20	6,515	3.7978	0	(5,776)	(111)	(508)	119	1	0.64%	620	740	10	1.30%
4	R25	1,032	2.5147	0	(1,032)	0	0	0	0	0.00%	0	0	0	0.00%
5	R100	1,767	-	0	(250)	(1,516)	0	0	0	0.00%	1,516	1,517	20	1.30%
6	Total North Transport and Storage	<u>83,112</u>		<u>0</u>	<u>(59,638)</u>	<u>(5,213)</u>	<u>(17,304)</u>	<u>956</u>	<u>6</u>		<u>22,518</u>	<u>23,480</u>	<u>543</u>	
7	Total In-franchise	<u>764,473</u>		<u>(17,000)</u>	<u>(62,196)</u>	<u>(36,847)</u>	<u>(61,208)</u>	<u>587,222</u>	<u>3,756</u>		<u>98,056</u>	<u>689,033</u>	<u>15,422</u>	
<u>Ex-franchise - Cost Based</u>														
8	M12	186,443						186,443				186,443	2,424	1.30%
9	M13	863						863				863	11	1.30%
10	M16	553						553				553	7	1.30%
11	C1	3,357						3,357				3,357	44	1.30%
12	Total Ex-franchise	<u>191,216</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>191,216</u>	<u>0</u>		<u>0</u>	<u>191,216</u>	<u>2,486</u>	
13	Total Union Gas	<u>955,690</u>		<u>(17,000)</u>	<u>(62,196)</u>	<u>(36,847)</u>	<u>(61,208)</u>	<u>778,439</u>	<u>3,756</u>		<u>98,056</u>	<u>880,249</u>	<u>17,907</u>	

Notes:

- (1) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Column (b)  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Column (c)

UNION GAS LIMITED  
Summary of 2008 Proposed Rates  
Effective January 1, 2008

Line No.	Particulars	2008 DSM (\$000's) (n)	Add Back Upstream Transportation (\$000's) (o)	2008 GDAR (\$000's) (p)	Proposed Revenue (\$000's) (q)=(k+i+n+o+p)	Proposed Rates (cents / m <sup>3</sup> ) (r)	Rate Change Excl. Weather (%) (s)	Rate Change Incl. Weather (%) (t)
<u>Northern Transportation and Storage</u>								
1	R01	0	37,681	0	54,631	6.0345	0.7%	0.7%
2	R10	0	14,898	0	19,685	5.1919	0.6%	0.6%
3	R20	0	5,776	0	6,526	3.8039	0.2%	0.2%
4	R25	0	1,032	0	1,032	2.5147	0.0%	0.0%
5	R100	0	250	0	1,787	-	-	-
6	Total North Transport and Storage	0	59,638	0	83,661		0.7%	-
7	Total In-franchise	18,700	62,196	1,643	786,994		2.9%	-
<u>Ex-franchise - Cost Based</u>								
8	M12				188,867			
9	M13				874			
10	M16				561			
11	C1				3,401			
12	Total Ex-franchise	0	0	0	193,702		1.3%	-
13	Total Union Gas	18,700	62,196	1,643	980,696		2.6%	-



**Notes:**

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

UNION GAS LIMITED  
Northern & Eastern Operations Area  
In-Franchise Customers  
Effective January 1, 2008

Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's)	2008 GDAR (\$000's)	Proposed Revenue Excl. LRAM (\$000's)	Proposed Rates Excl. LRAM (cents / m <sup>3</sup> )	Rate Change Excl. LRAM (%)	LRAM Adjustments		Proposed Revenue Incl. LRAM (\$000's)	Proposed Rates Incl. LRAM (cents / m <sup>3</sup> )	Rate Change Incl. LRAM (%)	Rate Change Incl. Weather (%)
									LRAM Volume Adjustment (2)	Usage including LRAM Adjustment				
			(o)	(p) = (-e)	(q)	(r) = (l+m+o+p+q)	(s) = (r / a)	(t)	(u)	(v) = (a+u)	(w)	(x) = (w / v)	(y)	(z)
<u>Rate 01 General Service</u>														
1	Monthly Charge	bills	-	-	-	58,769	\$16.00		-	3,548,064	56,769	\$16.00		
Monthly Delivery Charge - All Zones														
2	First 100 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	449	436	86	20,249	10.0317		(14)	201,835	20,249	10.0323		
3	Next 200 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	587	570	121	26,481	9.3817		(19)	282,241	26,481	9.3823		
4	Next 200 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	267	259	58	12,057	8.9201		(9)	135,161	12,057	8.9207		
5	Next 500 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	242	235	55	10,943	8.4963		(9)	128,785	10,943	8.4968		
6	Over 1000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	243	236	58	10,975	8.1463		(9)	134,719	10,975	8.1469		
7	Delivery Commodity charge - 01		1,788	1,737	378	80,705	9.1419		(60)	882,740	80,705	9.1425		
8	Total Delivery - 01		1,788	1,737	378	137,474	15.5725	3.4%	(60)	882,740	137,474	15.5735	3.4%	6.0%
Gas Transportation														
9	Fort Frances	10 <sup>3</sup> m <sup>3</sup>	-	388	-	398	2.9800		-	13,366	398	2.9800		
10	Western	10 <sup>3</sup> m <sup>3</sup>	-	5,223	-	5,359	3.0041		-	178,403	5,359	3.0041		
11	Northern	10 <sup>3</sup> m <sup>3</sup>	-	14,001	-	14,365	3.6164		-	397,216	14,365	3.6164		
12	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	12,771	-	13,104	4.1425		-	316,326	13,104	4.1425		
13	Transportation - 01		-	32,384	-	33,226	3.6702	0.1%	-	905,311	33,226	3.6702	0.1%	0.1%
Storage														
14	Fort Frances	10 <sup>3</sup> m <sup>3</sup>	-	64	-	260	1.9445		-	13,366	260	1.9445		
15	Western	10 <sup>3</sup> m <sup>3</sup>	-	857	-	3,465	1.9420		-	178,403	3,465	1.9420		
16	Northern	10 <sup>3</sup> m <sup>3</sup>	-	2,297	-	9,281	2.3366		-	397,216	9,281	2.3366		
17	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	2,079	-	8,399	2.6551		-	316,326	8,399	2.6551		
18	Storage - 01		-	5,297	-	21,405	2.3643	1.8%	-	905,311	21,405	2.3643	1.8%	1.8%
19	Total Rate 01		1,788	39,418	378	192,105	-	-	(60)	882,740	192,105	-	-	-

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13

**UNION GAS LIMITED**  
Northern & Eastern Operations Area  
In-Franchise Customers  
Effective January 1, 2008

Line No.	Particulars	Billing Units	Adjustments to 2007 Base Rates										Price Cap Index (\$000's) (m)	Price Cap Index (%) (n)
			Current Approved Forecast (1) (a)	Current Approved Revenue (2) (b)	Current Approved Rates (3) (c)	2007 DSM (4) (d)	Upstream Transportation (5) (e)	Compressor Fuel & UFG (6) (f)	In-Franchise Storage (6) (g)	Adjusted Revenue (h) = (b)+(e)+(f)+(g)	Storage Premium Adjustment (\$000's) (i)	Storage Premium Adjustment (%) (j)	Add Back Compressor Fuel, UFG & Storage (\$000's) (k) = (-f)+(g)	Adjusted Revenue (l) = (h)+(k)
1	Rate 10 General Service													
2	Monthly Charge	bills	35,539	2,488	\$70.00	-	-	-	-	2,488	-	-	-	2,488
3	First 1,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	23,044	1,722	7,4723	(124)	(46)	(10)	-	1,542	11	11	10	1,553
4	Next 9,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	142,661	8,484	5,9467	(613)	(226)	(49)	-	7,595	56	56	49	7,700
5	Next 20,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	100,436	5,069	5,0768	(369)	(136)	(29)	-	4,565	33	33	29	4,628
6	Next 70,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	68,974	3,117	4,5197	(225)	(63)	(18)	-	2,791	20	20	18	2,829
7	Over 100,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	40,327	972	2,4100	(70)	(26)	(6)	-	870	6	6	6	882
	Delivery Commodity charge - 10		375,443	19,394	5,1656	(1,402)	(517)	(112)	-	17,363	127	127	112	17,602
8	Total Delivery - 10		375,443	21,882	5,6282	(1,402)	(517)	(112)	-	19,851	127	0.64%	112	20,090
	Gas Transportation													
9	Fort Frances	10 <sup>3</sup> m <sup>3</sup>	2,629	72	2,7311	-	(72)	-	-	0	0	0	-	0
10	Western	10 <sup>3</sup> m <sup>3</sup>	65,506	1,805	2,7552	-	(1,802)	-	-	3	0	0	-	3
11	Northern	10 <sup>3</sup> m <sup>3</sup>	146,303	4,826	3,3670	-	(4,919)	-	-	7	0	0	-	7
12	Eastern	10 <sup>3</sup> m <sup>3</sup>	164,703	6,411	3,8927	-	(6,402)	-	-	9	0	0	-	9
13	Transportation - 10		379,141	13,214	3,4852	-	(13,195)	-	-	19	0	0.64%	-	19
	Storage													
14	Fort Frances	10 <sup>3</sup> m <sup>3</sup>	2,629	32	1,2255	-	(9)	(3)	(21)	-	-	-	24	24
15	Western	10 <sup>3</sup> m <sup>3</sup>	65,506	801	1,2231	-	(215)	(75)	(512)	-	-	-	587	587
16	Northern	10 <sup>3</sup> m <sup>3</sup>	146,303	2,357	1,6107	-	(631)	(220)	(1,506)	-	-	-	1,725	1,725
17	Eastern	10 <sup>3</sup> m <sup>3</sup>	164,703	3,168	1,9235	-	(849)	(296)	(2,023)	-	-	-	2,320	2,320
18	Storage - 10		379,141	6,358	1,6770	-	(1,703)	(595)	(4,060)	-	-	-	4,655	4,655
19	Total Rate 10		375,443	41,454	-	(1,402)	(15,415)	(707)	(4,060)	19,869	127	-	4,767	24,764
														599
														2,42%

Notes:

- (1) EB-2005-0520: Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520: Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720: Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520: Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606: Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520: Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

UNION GAS LIMITED  
Northern & Eastern Operations Area  
In-Franchise Customers  
Effective January 1, 2008

Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's)	2008 GDAR (\$000's)	Proposed Revenue Excl. LRAM (\$000's)	Proposed Rates Excl. LRAM (cents / m <sup>3</sup> )	Rate Change Excl. LRAM (%)	LRAM Adjustments				Rate Change Incl. LRAM (%)	Rate Change Incl. Weather (%)
									LRAM Volume	Usage including LRAM	Proposed Revenue Incl. LRAM (\$000's)	Proposed Rates Incl. LRAM (cents / m <sup>3</sup> )		
			(o)	(p) = (-e)	(q)	(r) = (l+m+o+p+q)	(s) = (r / a)	(t)	Adjustment (2)	Adjustment	(w)	(x) = (w / v)	(y)	(z)
<u>Rate 10 General Service</u>														
1	Monthly Charge	bills	-	-	-	2,488	\$70.00		-	35,539	2,488	\$70.00		
Monthly Delivery Charge - All Zones														
2	First 1,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	137	46	0	1,789	7.7636		186	23,230	1,789	7.7015		
3	Next 9,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	675	226	1	8,815	6.1787		1,150	143,811	8,815	6.1293		
4	Next 20,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	405	136	1	5,298	5.2750		810	101,246	5,298	5.2328		
5	Next 70,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	248	83	1	3,239	4.6963		556	69,530	3,239	4.6588		
6	Over 100,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	77	26	0	1,010	2.5046		325	40,652	1,010	2.4846		
7	Delivery Commodity charge - 10		1,542	517	4	20,151	5.3673		3,027	378,469	20,151	5.3243		
8	Total Delivery - 10		1,542	517	4	22,639	6.0299	3.5%	3,027	378,469	22,639	5.9817	2.6%	4.3%
Gas Transportation														
9	Fort Frances	10 <sup>3</sup> m <sup>3</sup>	-	72	-	72	2.7311		-	2,629	72	2.7311		
10	Western	10 <sup>3</sup> m <sup>3</sup>	-	1,802	-	1,805	2.7552		-	65,506	1,805	2.7552		
11	Northern	10 <sup>3</sup> m <sup>3</sup>	-	4,919	-	4,926	3.3670		-	146,303	4,926	3.3670		
12	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	6,402	-	6,411	3.8927		-	164,703	6,411	3.8927		
13	Transportation - 10		-	13,195	-	13,214	3.4852	0.0%	-	379,141	13,214	3.4852	0.0%	0.0%
Storage														
14	Fort Frances	10 <sup>3</sup> m <sup>3</sup>	-	9	-	33	1.2472		-	2,629	33	1.2472		
15	Western	10 <sup>3</sup> m <sup>3</sup>	-	215	-	815	1.2448		-	65,506	815	1.2448		
16	Northern	10 <sup>3</sup> m <sup>3</sup>	-	631	-	2,398	1.6392		-	146,303	2,398	1.6392		
17	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	849	-	3,224	1.9576		-	164,703	3,224	1.9576		
18	Storage - 10		-	1,703	-	6,471	1.7067	1.8%	-	379,141	6,471	1.7067	1.8%	1.8%
19	Total Rate 10		1,542	15,415	4	42,323	-	-	3,027	378,469	42,324	-	-	-

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13

UNION GAS LIMITED  
Northern & Eastern Operations Area  
In-Franchise Customers  
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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 2007 Base Rates				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 (%)
						2007 DSM (4)	Upstream Transportation (5)	Compressor Fuel & UFG (6)	In-Franchise Storage (6)							
						(\$000's)	(\$000's)	(\$000's)	(\$000's)							
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (b+d+e+f+g)	(i)	(j)	(k) = ( - f-g )	(l) = (h+i+k)	(m)	(n)
1	Rate 20 Medium Volume Firm Service Monthly Charge	bills	768	599	\$780.00	-	-	-	-	599	-	-	-	599	-	-
2	Monthly Demand Charge															
3	First 70,000 m³	10³m³/d	22,606	4,596	20.3317	-	-	-	-	4,596	33	-	-	4,629	68	
4	All over 70,000 m³	10³m³/d	6,468	773	11.9561	-	-	-	-	773	6	-	-	779	11	
5	Monthly Commodity Charge															
6	First 852,000 m³	10³m³	355,859	1,024	0.2877	(746)	(47)	(16)	-	216	1	-	16	233	3	
7	All over 852,000 m³	10³m³	169,729	362	0.2131	(263)	(22)	(5)	-	71	0	-	5	77	1	
8	Delivery (Commodity/Demand)		525,588	6,755	1.2852	(1,009)	(69)	(21)	-	5,656	41	-	21	5,718	83	
9	Transportation Account Charge	10³m³	408	90	\$220.00	-	-	-	-	90	-	-	-	90	-	
10	Total Delivery - 20		525,588	7,444	1.4163	(1,009)	(69)	(21)	-	6,345	41	0.64%	21	6,407	83	1.30%
11	Gas Supply Demand Charge															
12	Fort Frances		-	-	25.3849	-	-	-	-	-	-	-	-	-	-	
13	Western	10³m³	2,664	689	25.8508	-	(565)	(20)	(82)	22	0	-	102	124	2	
14	Northern	10³m³	942	403	42.7815	-	(331)	(12)	(48)	13	0	-	60	73	1	
15	Eastern	10³m³	4,757	2,708	56.9336	-	(2,222)	(79)	(322)	85	1	-	402	487	6	
16	Commodity Transportation 1															
17	Fort Frances	10³m³	-	-	2.1971	-	-	-	-	-	-	-	-	-	-	
18	Western	10³m³	25,318	558	2.2058	-	(558)	-	-	-	-	-	-	-	-	
19	Northern	10³m³	10,073	262	2.6055	-	(262)	-	-	-	-	-	-	-	-	
20	Eastern	10³m³	55,824	1,641	2.9409	-	(1,641)	-	-	-	-	-	-	-	-	
21	Commodity Transportation 2															
22	Fort Frances	10³m³	-	-	0.1334	-	-	-	-	-	-	-	-	-	-	
23	Western	10³m³	11,140	15	0.1310	-	(15)	-	-	-	-	-	-	-	-	
24	Northern	10³m³	10,162	21	0.2059	-	(21)	-	-	-	-	-	-	-	-	
25	Eastern	10³m³	59,036	161	0.2733	-	(161)	-	-	-	-	-	-	-	-	
26	Storage (GJ's)															
27	Demand	GJ/d	4,632	52	11.289	-	-	-	(52)	-	-	-	52	52	1	
28	Commodity	GJ	16,085	4	0.240	-	-	-	(4)	-	-	-	4	4	0	
29	Gas Supply Transportation - 20		171,554	6,515	3.7978	-	(5,776)	(111)	(508)	119	1	0.64%	620	740	10	1.30%
30	Total Rate 20		525,588	13,959	-	(1,009)	(5,845)	(132)	(508)	6,464	41	-	641	7,147	93	-

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

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									LRAM Adjustments						
Line		Billing	2008	Add Back	2008	Proposed	Proposed	Rate	LRAM	Usage	Proposed	Rate	Rate		
No.	Particulars	Units	DSM (1)	Upstream	GDAR	Revenue	Rates	Change	Volume	including	Revenue	Change	Change		
			(\$000's)	Transportation	(\$000's)	Excl. LRAM	Excl. LRAM	Excl. LRAM	Adjustment (2)	LRAM	Incl. LRAM	Incl. LRAM	Incl. LRAM		
			(o)	(p) = (-e)	(q)	(r) = (l+m+o+p+q)	(s) = (r / a)	(t)	(u)	(v) = (a+u)	(w)	(x) = (w / v)	(y)		
													(z)		
1	<u>Rate 20 Medium Volume Firm Service</u>														
	Monthly Charge	bills	-	-	-	599	\$780.00		-	768	599	\$780.00			
	Monthly Demand Charge														
2	First 70,000 m³	10²m³/d	-	-	-	4,697	20.7785		-	22,606	4,697	20.7785			
3	All over 70,000 m³	10²m³/d	-	-	-	790	12.2189		-	6,468	790	12.2189			
	Monthly Commodity Charge														
4	First 852,000 m³	10³m³	820	47	-	1,103	0.3099		2,333	358,191	1,103	0.3079			
5	All over 852,000 m³	10³m³	290	22	-	389	0.2294		1,113	170,842	389	0.2280			
6	Delivery (Commodity/Demand)		1,110	69	-	6,980	1.3280	3.3%	3,445	529,033	6,980	1.3194	2.7%		
7	Transportation Account Charge	10²m³	-	-	-	90	\$220.00		-	408	90	\$220.00			
8	Total Delivery - 20		1,110	69	-	7,669	1.4591	3.0%	3,445	529,033	7,669	1.4496	2.3%		
	Gas Supply Demand Charge														
9	Fort Frances		-	-	-	-	25.3849		-	-	-	25.3849			
10	Western	10¹m³	-	565	-	690	25.9164		-	2,664	690	25.9164			
11	Northern	10²m³	-	331	-	404	42.8901		-	942	404	42.8901			
12	Eastern	10¹m³	-	2,222	-	2,715	57.0782		-	4,757	2,715	57.0782			
	Commodity Transportation 1														
13	Fort Frances	10¹m³	-	-	-	-	2.1971		-	-	-	2.1971			
14	Western	10¹m³	-	558	-	558	2.2058		-	25,318	558	2.2058			
15	Northern	10¹m³	-	262	-	262	2.6055		-	10,073	262	2.6055			
16	Eastern	10¹m³	-	1,641	-	1,641	2.9409		-	55,824	1,641	2.9409			
	Commodity Transportation 2														
17	Fort Frances		-	-	-	-	0.1334		-	-	-	0.1334			
18	Western	10¹m³	-	15	-	15	0.1310		-	11,140	15	0.1310			
19	Northern	10¹m³	-	21	-	21	0.2059		-	10,162	21	0.2059			
20	Eastern	10²m³	-	161	-	161	0.2733		-	59,036	161	0.2733			
	Storage (GJ's)														
21	Demand	GJ/d	-	-	-	53	11.446		-	4,632	53	11.446			
22	Commodity	GJ	-	-	-	4	0.243		-	16,085	4	0.243			
23	Gas Supply Transportation - 20		-	5,776	-	6,526	3.8039	0.2%	-	171,554	6,526	3.8039	0.2%		
24	Total Rate 20		1,110	5,845	-	14,194	-	-	3,445	529,033	14,194	-	-		

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13

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Adjustments to 2007 Base Rates																
Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) (\$000's)	Current Approved Rates (3) (cents / m³)	2007 DSM (4) (\$000's)	Upstream Transportation (5) (\$000's)	Compressor Fuel & UFG (6) (\$000's)	In-Franchise Storage (6) (\$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) = (b+d+e+f+g)	(i)	(j)	(k) = (-f-g)	(l) = (h+i+k)	(m)	(n)
Rate 25 Large Volume Interruptible Service																
1	Monthly Charge	bills	950	181	\$190.00	-	-	-	-	181	-	-	-	181	-	-
2	Monthly Delivery Charge	10³m³	104,645	2,177	2.0802	-	-	-	-	2,177	15	-	-	2,192	31	-
3	Transportation Account Charge	bills	204	45	\$220.00	-	-	-	-	45	-	-	-	45	-	-
4	Total Delivery - 25		104,645	2,402	2.2956	-	-	-	-	2,402	15	0.64%	-	2,418	31	1.30%
5	Gas Supply Transportation	10³m³	41,048	1,032	2.5147	-	(1,032)	-	-	0	0	-	-	0	0	-
6	Total Rate 25		104,645	3,434	-	-	(1,032)	-	-	2,402	15	-	-	2,418	31	-
Rate 77 Wholesale Transportation Service																
7	Customer Charge	bills	12	2	\$145.00	-	-	-	-	2	-	-	-	2	-	-
8	Monthly Delivery Demand Charge	10³m³	92	26	28.2927	-	-	-	-	26	0	-	-	26	0	-
9	Total Rate 77		92	28	30.1758	-	-	-	-	28	0	0.64%	-	28	0	1.30%

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

UNION GAS LIMITED  
Northern & Eastern Operations Area  
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Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's)	2008 GDAR (\$000's)	Proposed Revenue Excl. LRAM (\$000's)	Proposed Rates Excl. LRAM (cents / m <sup>3</sup> )	Rate Change Excl. LRAM (%)	LRAM Adjustments				Rate Change Incl. LRAM (%)	Rate Change Incl. Weather (%)
									LRAM Volume Adjustment (2)	Usage including LRAM Adjustment	Proposed Revenue Incl. LRAM (\$000's)	Proposed Rates Incl. LRAM (cents / m <sup>3</sup> )		
			(o)	(p) = (-e)	(q)	(r) = (l+m+o+p+q)	(s) = (r / a)	(t)	(u)	(v) = (a+u)	(w)	(x) = (w / v)	(y)	(z)
<u>Rate 25 Large Volume Interruptible Service</u>														
1	Monthly Charge	bills	-	-	-	181	\$190.00	-	-	950	181	\$190.00	-	-
2	Monthly Delivery Charge	10 <sup>3</sup> m <sup>3</sup>	-	-	-	2,224	2.1249	-	-	104,645	2,224	2.1249	-	-
3	Transportation Account Charge	bills	-	-	-	45	\$220.00	-	-	204	45	\$220.00	-	-
4	Total Delivery - 25		-	-	-	2,449	2.3403	1.9%	-	104,645	2,449	2.3403	1.9%	1.9%
5	Gas Supply Transportation	10 <sup>3</sup> m <sup>3</sup>	-	1,032	-	1,032	2.5147	-	-	41,048	1,032	2.5147	-	-
6	Total Rate 25		-	1,032	-	3,481	-	-	-	104,645	3,481	-	-	-
<u>Rate 77 Wholesale Transportation Service</u>														
7	Customer Charge	bills	-	-	-	2	\$145.00	-	-	12	2	\$145.00	-	-
8	Monthly Delivery Demand Charge	10 <sup>3</sup> m <sup>3</sup>	-	-	-	27	28.8805	-	-	92	27	28.8805	-	-
9	Total Rate 77		-	-	-	28	30.7636	1.9%	-	92	28	30.7636	1.9%	1.9%

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13



**UNION GAS LIMITED**  
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Line No.	Particulars	Billing Units	Adjustments to 2007 Base Rates							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 (%)
			Current Approved Forecast (1)	Current Approved Revenue (2)	Current Approved Rates (3)	2007 DSM (4)	Upstream Transportation (5)	Compressor Fuel & UFG (6)	In-Franchise Storage (6)						
			Usage (a)	(\$000's) (b)	(cents / m <sup>3</sup> ) (c)	(\$000's) (d)	(\$000's) (e)	(\$000's) (f)	(\$000's) (g)	(h) = (b+d+e+f+g)	(i)	(j)	(k) = ( - f-g )	(l) = (h+i+k)	(m)
<u>Rate 100 Large Volume Firm Service</u>															
1	Monthly Charge	bills	232	181	\$780.00	-	-	-	-	181	-	-	181	-	-
2	Demand	10 <sup>3</sup> m <sup>3</sup> /d	93,386	11,138	11.9268	-	-	-	-	11,138	73	-	11,211	149	-
3	Commodity	10 <sup>3</sup> m <sup>3</sup>	2,275,112	4,783	0.2102	(1,622)	(236)	(285)	-	2,640	17	285	2,942	38	-
4	Delivery (Commodity/Demand)		2,275,112	15,921	0.6998	(1,622)	(236)	(285)	-	13,778	90	285	14,152	187	-
5	Transportation Account Charge	bills	232	51	\$220.00	-	-	-	-	51	-	-	51	-	-
6	Total Delivery - 100		2,275,112	16,153	0.7100	(1,622)	(236)	(285)	-	14,010	90	0.64%	14,384	187	1.30%
<u>Gas Supply Demand Charge</u>															
7	Fort Frances	10 <sup>3</sup> m <sup>3</sup> /d	-	-	40.6945	-	-	-	-	-	-	-	-	-	-
8	Western	10 <sup>3</sup> m <sup>3</sup> /d	-	-	41.2381	-	-	-	-	-	-	-	-	-	-
9	Northern	10 <sup>3</sup> m <sup>3</sup> /d	-	-	60.9906	-	-	-	-	-	-	-	-	-	-
10	Eastern	10 <sup>3</sup> m <sup>3</sup> /d	-	-	77.5013	-	-	-	-	-	-	-	-	-	-
<u>Commodity Transportation 1</u>															
11	Fort Frances	-	-	-	3.8838	-	-	-	-	-	-	-	-	-	-
12	Western	10 <sup>3</sup> m <sup>3</sup>	-	-	3.8903	-	-	-	-	-	-	-	-	-	-
13	Northern	10 <sup>3</sup> m <sup>3</sup>	-	-	4.1901	-	-	-	-	-	-	-	-	-	-
14	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	-	4.4417	-	-	-	-	-	-	-	-	-	-
<u>Commodity Transportation 2</u>															
15	Fort Frances	-	-	-	0.1334	-	-	-	-	-	-	-	-	-	-
16	Western	10 <sup>3</sup> m <sup>3</sup>	-	-	0.1310	-	-	-	-	-	-	-	-	-	-
17	Northern	10 <sup>3</sup> m <sup>3</sup>	-	-	0.2059	-	-	-	-	-	-	-	-	-	-
18	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	-	0.2733	-	-	-	-	-	-	-	-	-	-
<u>Storage (GJ's)</u>															
19	Demand	GJ/d	138,036	1,558	11.289	-	(250)	(1,308)	-	-	-	1,308	1,308	17	-
20	Commodity	GJ	871,877	209	0.240	-	-	(209)	-	-	-	209	209	3	-
21	Gas Supply - 100		-	1,767	-	-	(250)	(1,516)	-	-	0	1,516	1,517	20	-
22	Total Rate 100		2,275,112	17,921	-	(1,622)	(487)	(1,801)	-	14,010	90	-	1,801	15,901	207

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

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Northern & Eastern Operations Area  
In-Franchise Customers  
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Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's) (p) = (-e)	2008 GDAR (\$000's) (q)	Proposed Revenue Excl. LRAM (\$000's) (r) = (l+m+o+p+q)	Proposed Rates Excl. LRAM (cents / m <sup>3</sup> ) (s) = (r / a)	Rate Change Excl. LRAM (%) (t)	LRAM Adjustments		Proposed Revenue Incl. LRAM (\$000's) (w)	Proposed Rates Incl. LRAM (cents / m <sup>3</sup> ) (x) = (w / v)	Rate Change Incl. LRAM (%) (y)	Rate Change Incl. Weather (%) (z)
									LRAM Volume Adjustment (2)	Usage including LRAM Adjustment (v) = (a+u)				
			(o)						(u)					
<u>Rate 100 Large Volume Firm Service</u>														
1	Monthly Charge	bills	0	-	-	181	\$780.00		-	232	181	\$780.00		
2	Demand	10 <sup>3</sup> m <sup>3</sup> /d	0	-	-	11,360	12.1640		-	93,386	11,360	12.1640		
3	Commodity	10 <sup>3</sup> m <sup>3</sup>	1,785	236	-	5,001	0.2198		6,066	2,281,177	5,001	0.2192		
4	Delivery (Commodity/Demand)		1,785	236	-	16,360	0.7191	2.8%	6,066	2,281,177	16,360	0.7172	2.5%	2.5%
5	Transportation Account Charge	bills	-	-	-	51	\$220.00		-	232	51	\$220.00		
6	Total Delivery - 100		1,785	236	-	16,592	0.7293	2.7%	6,066	2,281,177	16,592	0.7274	2.4%	2.4%
<u>Gas Supply Demand Charge</u>														
7	Fort Frances	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	-	40.6945		-	-	-	40.6945		
8	Western	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	-	41.2381		-	-	-	41.2381		
9	Northern	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	-	60.9906		-	-	-	60.9906		
10	Eastern	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	-	77.5013		-	-	-	77.5013		
<u>Commodity Transportation 1</u>														
11	Fort Frances	-	-	-	-	-	3.8838		-	-	-	3.8838		
12	Western	10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	3.8903		-	-	-	3.8903		
13	Northern	10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	4.1901		-	-	-	4.1901		
14	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	4.4417		-	-	-	4.4417		
<u>Commodity Transportation 2</u>														
15	Fort Frances	-	-	-	-	-	0.1334		-	-	-	0.1334		
16	Western	10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	0.1310		-	-	-	0.1310		
17	Northern	10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	0.2059		-	-	-	0.2059		
18	Eastern	10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	0.2733		-	-	-	0.2733		
<u>Storage (GJ's)</u>														
19	Demand	GJ/d	-	250	-	1,580	11.446		-	138,036	1,580	11.446		
20	Commodity	GJ	-	-	-	212	0.243		-	871,877	212	0.243		
21	Gas Supply - 100		-	250	-	1,792	-	-	-	-	1,792	-	-	-
22	Total Rate 100		1,785	487	-	18,384	-	-	6,066	2,281,177	18,384	-	-	-

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13

UNION GAS LIMITED  
Southern Operations Area  
In-Franchise Customers  
Effective January 1, 2008

Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) (\$000's)	Current Approved Rates (3) (cents / m <sup>3</sup> )	Adjustments to 2007 Base Rates				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 (%)
						2007 DSM (4)	Upstream Transportation (5)	Compressor Fuel & UFG (6)	In-Franchise Storage (6)							
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (b+d+e+f+g)	(i)	(j)	(k) = (-f-g)	(l) = (h+i+k)	(m)	(n)
<b>M1</b>																
1	Monthly Charge	bills	11,761,016	188,176	\$16.00	-	-	-	-	188,176	-	-	-	188,176	-	-
	Monthly Delivery Commodity Charge															
2	First 100 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	921,326	51,148	5.5516	(1,944)	-	(1,896)	-	47,308	735		1,896	49,939	2,843	
3	Next 150 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	769,727	40,534	5.2660	(1,541)	-	(1,503)	-	37,491	582		1,503	39,575	2,253	
4	All over 250 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	1,107,542	50,838	4.5902	(1,932)	-	(1,885)	-	47,021	730		1,885	49,636	2,826	
5	Total Delivery - M1		2,798,595	330,697	11.8165	(5,417)	-	(5,284)	-	319,996	2,047	0.64%	5,284	327,327	7,921	2.42%
6	Storage (7)	10 <sup>3</sup> m <sup>3</sup>	2,862,265	28,757	1.0047	-	-	(3,586)	(25,171)	-	-	-	28,757	28,757	696	2.42%
7	Total Rate M1		2,798,595	359,454	-	(5,417)	-	(8,870)	(25,171)	319,996	2,047	-	34,041	356,084	8,617	-
<b>M2</b>																
8	Monthly Charge	bills	83,737	5,862	\$70.00	-	-	-	-	5,862				5,862		
	Monthly Delivery Commodity Charge															
9	First 1 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	75,469	2,825	3.7435	(170)	-	(309)	-	2,346	18		309	2,673	75	
10	Next 6 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	366,830	13,469	3.6718	(809)	-	(1,474)	-	11,186	85		1,474	12,745	360	
11	Next 13 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	301,554	10,427	3.4579	(626)	-	(1,141)	-	8,660	66		1,141	9,867	278	
12	All over 20 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	332,169	10,634	3.2015	(639)	-	(1,164)	-	8,832	67		1,164	10,063	284	
13	Total Delivery - M2		1,076,022	43,218	4.0165	(2,244)	-	(4,088)	-	36,886	236	0.64%	4,088	41,210	997	2.42%
14	Storage (7)	10 <sup>3</sup> m <sup>3</sup>	1,100,502	8,132	0.7390	-	-	(1,379)	(6,753)	-	-	-	8,132	8,132	197	2.42%
15	Total Rate M2		1,076,022	51,350	-	(2,244)	-	(5,467)	(6,753)	36,886	236	-	12,220	49,342	1,194	-

Notes:

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision
- (7) EB-2007-0606, Exhibit D, Tab 3, Schedule 6

UNION GAS LIMITED  
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Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's)	2008 GDAR (\$000's)	Proposed Revenue Excl LRAM (\$000's)	Proposed Rates Excl LRAM (cents / m <sup>3</sup> )	Rate Change Excl LRAM (%)	LRAM Volume Adjustment (2) (u)	Usage including LRAM Adjustment (v) = (a+u)	Proposed Revenue Incl LRAM (\$000's)	Proposed Rates Incl LRAM (cents / m <sup>3</sup> )	Rate Change Incl LRAM (%)	Rate Change Incl Weather (%)
			(o)	(p) = (-e)	(q)	(f) = (h+m+o+p+q)	(s) = (r/a)	(t)	(u)	(v) = (a+u)	(w)	(x) = (w/v)	(y)	(z)
<b>M1</b>														
1	Monthly Charge		-	-	-	188,176	\$16.00	-	-	11,761,016	188,176	\$16.00	-	-
2	Monthly Delivery Commodity Charge													
3	First 100 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	2,138	-	412	55,332	6.0057	(572)	(572)	920,754	55,332	6.0095		
4	Next 150 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	1,695	-	344	43,867	5.6991	(478)	(478)	769,248	43,867	5.7026		
5	All over 250 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	2,125	-	466	55,063	4.9734	(688)	(688)	1,106,854	55,063	4.9765		
6	Total Delivery - M1		5,958	-	1,252	342,459	12.2368	3.6%	(1,739)	2,796,857	342,459	12.2444	3.6%	6.0%
7	Storage (7)	10 <sup>3</sup> m <sup>3</sup>	-	-	-	29,453	1.0290	2.4%	-	2,962,265	29,453	1.0290	2.4%	
8	Total Rate M1		5,958	-	1,252	371,912	-	-	(1,739)	2,796,857	371,912	-	-	-
<b>M2</b>														
9	Monthly Charge		-	-	-	5,862	\$70.00	-	-	83,737	5,862	\$70.00	-	-
10	Monthly Delivery Commodity Charge													
11	First 1,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	187	-	1	2,936	3.8904	516	516	75,985	2,936	3.8640		
12	Next 6,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	800	-	3	13,988	3.8159	2,509	2,509	369,339	13,988	3.7900		
13	All over 20,000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	689	-	2	10,837	3.5937	2,063	2,063	303,617	10,837	3.5692		
14	Total Delivery - M2		703	-	9	11,052	3.3273	3.4%	7,361	1,083,382	11,052	3.3046	2.7%	5.0%
15	Storage (7)	10 <sup>3</sup> m <sup>3</sup>	2,469	-	-	44,694	4.1527	2.4%	-	1,100,502	44,694	4.1245	2.4%	
16	Total Rate M2		2,469	-	9	53,013	-	-	7,361	1,083,382	53,013	-	-	-

Notes:  
(1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13

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Southern Operations Area  
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Line No.	Particulars	Billing Units	Adjustments to 2007 Base Rates							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 (%)
			Current Approved Forecast (1)	Current Approved Revenue (2)	Current Approved Rates (3)	2007 DSM (4)	Upstream Transportation (5)	Compressor Fuel & UFG (6)	In-Franchise Storage (6)							
			Usage (a)	(\$000's) (b)	(cents / m <sup>3</sup> ) (c)	(\$000's) (d)	(\$000's) (e)	(\$000's) (f)	(\$000's) (g)	(h) = (b+d+e+f+g)	(i)	(j)	(k) = (-f-g)	(l) = (h+i+k)	(m)	(n)
<u>M4 Firm Commercial/Industrial Contract Rate</u>																
Monthly Demand Charge																
1	First 8 450 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d	17,211	7,861	45.6744	-	-	-	(1,418)	6,443	41		1,418	7,902	103	
2	Next 19 700 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d	7,939	1,573	19.8165	-	-	-	(284)	1,289	8		284	1,582	21	
3	All over 28 150 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d	860	141	16.4565	-	-	-	(26)	116	1		26	142	2	
Monthly Delivery Commodity Charge																
4	First Block	10 <sup>3</sup> m <sup>3</sup>	449,247	4,174	0.9291	(1,831)	-	(1,641)	-	702	4		1,641	2,347	31	
5	All remaining use	10 <sup>3</sup> m <sup>3</sup>	3,779	19	0.5089	(8)	-	(8)	-	3	0		8	11	0	
6	Total Delivery - M4		453,027	13,769	3.0394	(1,840)	-	(1,648)	(1,728)	8,554	55	0.64%	3,376	11,984	156	1.30%
7	Total Rate M4		453,027	13,769	-	(1,840)	-	(1,648)	(1,728)	8,554	55	-	3,376	11,984	156	-
<u>M5A Interruptible Commercial/Industrial Contract Rate</u>																
Firm contracts																
8	Monthly Demand Charge	10 <sup>3</sup> m <sup>3</sup> /d	2,686	741	27.5785	-	-	-	(70)	671	4		70	745	10	
9	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	67,353	1,209	1.7957	-	-	(215)	-	994	6		215	1,216	16	
10	Total Delivery - Firm M5A		67,353	1,950	2.8954	-	-	(215)	(70)	1,665	11	0.64%	285	1,961	25	1.30%
Interruptible contracts																
11	Monthly Charge	bills	1,632	816	\$500	-	-	-	-	816	-		-	816	-	
12	Delivery Commodity Charge (Avg Price)	10 <sup>3</sup> m <sup>3</sup>	337,281	5,272	1.5631	-	-	(1,162)	(776)	3,334	27		1,938	5,298	79	
13	Total Delivery -Interruptible M5A		337,281	6,088	1.8050	-	-	(1,162)	(776)	4,150	27	0.64%	1,938	6,114	79	1.30%
14	Total Rate M5A		404,634	8,038	-	-	-	(1,377)	(846)	5,815	37	-	2,223	8,075	105	-

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

UNION GAS LIMITED  
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Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's)	2008 GDAR (\$000's)	Proposed Revenue Excl. LRAM (\$000's)	Proposed Rates Excl. LRAM (cents / m <sup>3</sup> )	Rate Change Excl. LRAM (%)	LRAM Adjustments					
									LRAM Volume	Usage including LRAM	Proposed Revenue Incl. LRAM (\$000's)	Proposed Rates Incl. LRAM (cents / m <sup>3</sup> )	Rate Change Incl. LRAM (%)	Rate Change Incl. Weather (%)
			(o)	(p) = (-e)	(q)	(r) = (l+m+o+p+q)	(s) = (r / a)	(t)	Adjustment (2) (u)	Adjustment (v) = (a+u)	(w)	(x) = (w / v)	(y)	(z)
<u>M4 Firm Commercial/Industrial Contract Rate</u>														
Monthly Demand Charge														
1	First 8 450 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	8,005	46.5107	-	-	17,211	8,005	46.5107	-	-
2	Next 19 700 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	1,602	20.1794	-	-	7,939	1,602	20.1794	-	-
3	All over 28 150 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	144	16.7579	-	-	860	144	16.7579	-	-
Monthly Delivery Commodity Charge														
4	First Block	10 <sup>3</sup> m <sup>3</sup>	2,014	-	-	4,392	0.9777	-	20,925	470,172	4,392	0.9342	-	-
5	All remaining use	10 <sup>3</sup> m <sup>3</sup>	9	-	-	20	0.5355	-	176	3,955	20	0.5117	-	-
6	Total Delivery - M4		2,024	-	-	14,164	3.1264	2.9%	21,101	474,128	14,164	2.9873	-1.7%	-1.7%
7	Total Rate M4		2,024	-	-	14,164	-	-	21,101	474,128	14,164	-	-	-
<u>M5A Interruptible Commercial/Industrial Contract Rate</u>														
Firm contracts														
8	Monthly Demand Charge	10 <sup>3</sup> m <sup>3</sup> /d	-	-	-	755	28.0988	-	-	2,686	755	28.0988	-	-
9	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	-	-	-	1,232	1.8286	-	(2,617)	64,736	1,232	1.9025	-	-
10	Total Delivery - Firm M5A		-	-	-	1,986	2.9490	1.9%	(2,617)	64,736	1,986	3.0682	6.0%	6.0%
Interruptible contracts														
11	Monthly Charge	bills	-	-	-	816	\$500.00	-	-	1,632	816	\$500.00	-	-
12	Delivery Commodity Charge (Avg Price)	10 <sup>3</sup> m <sup>3</sup>	-	-	-	5,378	1.5945	-	(13,103)	324,178	5,378	1.6590	-	-
13	Total Delivery -Interruptible M5A		-	-	-	6,194	1.8364	1.7%	(13,103)	324,178	6,194	1.9107	5.9%	5.9%
14	Total Rate M5A		-	-	-	8,180	-	-	(15,720)	388,914	8,180	-	-	-

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13

UNION GAS LIMITED  
Southern Operations Area  
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Line No.	Particulars	Billing Units	Current Approved Forecast (1)	Current Approved Revenue (2)	Current Approved Rates (3)	Adjustments to 2007 Base Rates					Storage Premium Adjustment	Storage Premium Adjustment	Add Back Compressor Fuel, UFG & Storage	Adjusted Revenue	Price Cap Index	Price Cap Index
			Usage	(\$000's)	(cents / m <sup>3</sup> )	2007 DSM (4)	Upstream Transportation (5)	Compressor Fuel & UFG (6)	In-Franchise Storage (6)	Adjusted Revenue (h) = (b+d+e+f+g)	(\$000's)	(%)	(\$000's)	(l) = (h+i+k)	(\$000's)	(n)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)		(i)	(j)	(k) = ( -l-g )		(m)	
<u>M7 Special Large Volume Contract Rate</u>																
Firm Contracts																
1	Monthly Demand Charge	10 <sup>3</sup> m <sup>3</sup> /d	22,110	5,647	25.5426	-	-	(717)	(1,242)	3,688	24		1,959	5,671	74	
2	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	266,277	890	0.3344	(671)	-	(220)	-	-	-		220	220	3	
3	Total Delivery - Firm M7		266,277	6,538	2.4553	(671)	-	(937)	(1,242)	3,688	24	0.64%	2,179	5,891	77	1.30%
Interruptible / Seasonal Contracts																
4	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	11,269	132	1.1741	(28)	-	(36)	(2)	66	0.42	0.64%	38	104	1	1.30%
5	Total Rate M7		277,546	6,670	-	(699)	-	(973)	(1,244)	3,754	24	0.64%	2,217	5,995	78	1.30%
<u>M9 Large Wholesale Service</u>																
6	Monthly Demand Charge	10 <sup>3</sup> m <sup>3</sup> /d	2,694	460	17.0902	-	-	-	(200)	261	2		200	462	6	
7	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	24,506	132	0.5367	-	-	(94)	-	38	0		94	132	2	
8	Total Rate M9		24,506	592	2.4159	-	-	(94)	(200)	299	2	0.64%	294	594	8	1.30%
<u>M10 Small Wholesale Service</u>																
9	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	202	5	2.6978	-	-	(1)	(2)	3	0	0.64%	3	5	0	1.30%
10	Total Rate M10		202	5	2.6978	-	-	(1)	(2)	3	0	-	3	5	0	-

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

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Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's)	2008 GDAR (\$000's)	Proposed Revenue Excl. LRAM (\$000's)	Proposed Rates Excl. LRAM (cents / m <sup>3</sup> )	Rate Change Excl. LRAM (%)	LRAM Adjustments		Proposed Revenue Incl. LRAM (\$000's)	Proposed Rates Incl. LRAM (cents / m <sup>3</sup> )	Rate Change Incl. LRAM (%)	Rate Change Incl. Weather (%)
									LRAM Volume Adjustment (2)	Usage including LRAM Adjustment				
			(o)	(p) = (-e)	(q)	(r) = (l+m+o+p+q)	(s) = (r / a)	(t)	(u)	(v) = (a+u)	(w)	(x) = (w / v)	(y)	(z)
<u>M7 Special Large Volume Contract Rate</u>														
Firm Contracts														
1	Monthly Demand Charge	10 <sup>2</sup> m <sup>3</sup> /d	-	-	-	5,745	25.9828	-	-	22,110	5,745	25.9828	-	-
2	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	738	-	-	960	0.3606	-	5,019	271,296	960	0.3540	-	-
3	Total Delivery - Firm M7		738	-	-	6,705	2.5181	2.8%	5,019	271,296	6,705	2.4715	0.7%	0.7%
Interruptible / Seasonal Contracts														
4	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	31	-	-	137	1.2151	3.5%	212	11,481	137	1.1926	1.6%	1.6%
5	Total Rate M7		769	-	-	6,842	-	-	5,231	282,777	6,842	-	-	-
<u>M9 Large Wholesale Service</u>														
6	Monthly Demand Charge	10 <sup>2</sup> m <sup>3</sup> /d	-	-	-	468	17.3751	-	-	2,694	468	17.3751	-	-
7	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	-	-	-	133	0.5447	-	-	24,506	133	0.5447	-	-
8	Total Rate M9		-	-	-	602	2.4552	1.6%	-	24,506	602	2.4552	1.6%	1.6%
<u>M10 Small Wholesale Service</u>														
9	Monthly Delivery Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	-	-	-	6	2.7417	1.6%	-	202	6	2.7417	1.6%	1.6%
10	Total Rate M10		-	-	-	6	-	-	-	202	6	-	-	-

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13



UNION GAS LIMITED  
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Line No.	Particulars	Billing Units	Current Approved Forecast (1)	Current Approved Revenue (2)	Current Approved Rates (3)	Adjustments to 2007 Base Rates				Adjusted Revenue	Storage Premium Adjustment	Storage Premium Adjustment	Add Back Compressor Fuel, UFG & Storage	Adjusted Revenue	Price Cap Index	Price Cap Index
			Usage	(\$000's)	(cents / m <sup>3</sup> )	2007 DSM (4)	Upstream Transportation (5)	Compressor Fuel & UFG (6)	In-Franchise Storage (6)	(\$000's)	(\$000's)	(%)	(\$000's)	(\$000's)	(\$000's)	(%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (b+d+e+f+g)	(i)	(j)	(k) = (-f-g)	(l) = (h+i+k)	(m)	(n)
<b>T1 Storage and Transportation</b>																
Storage (\$/GJ's)																
Demand:																
Firm injection / withdrawal																
1	Union provides deliverability inventory	GJ/d/mo.	1,643,806	3,254	1.980	-	-	-	(3,254)	-	-	-	3,254	3,254	42	
2	Customer provides deliverability invent	GJ/d/mo.	1,250,570	1,314	1.050	-	-	-	(1,314)	-	-	-	1,314	1,314	17	
3	Incremental firm injection right	GJ/d/mo.	-	-	1.050	-	-	-	-	-	-	-	-	-	-	
4	Interruptible	GJ/d/mo.	443,760	466	1.050	-	-	-	(466)	-	-	-	466	466	6	
5	Space	GJ/d/mo.	155,037,691	1,531	0.010	-	-	-	(1,531)	-	-	-	1,531	1,531	20	
6	Commodity (Customer Provides)	GJ	25,785,803	181	0.007	-	-	-	(181)	-	-	-	181	181	2	
7	Commodity (Union Provides)	GJ	-	-	0.064	-	-	-	-	-	-	-	-	-	-	
8	Customer supplied fuel	GJ	25,785,803	1,460	-	-	-	(1,460)	-	0	0	-	1,460	1,460	19	
Transportation (cents/ m <sup>3</sup> )																
Demand																
9	First 140 870 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d/mo.	66,541	12,608	18.9471	-	-	-	-	12,608	86	-	-	12,693	175	
10	All Over 140 870 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d/mo.	124,828	16,161	12.9470	-	-	-	-	16,161	110	-	-	16,271	224	
Commodity																
Firm																
11	First 2 360 653 m3	10 <sup>3</sup> m <sup>3</sup>	1,185,567	1,901	0.1604	(457)	-	-	-	1,444	9	-	-	1,454	19	
12	All Over 2 360 653 m3	10 <sup>3</sup> m <sup>3</sup>	3,444,064	2,749	0.0798	(661)	-	-	-	2,088	13	-	-	2,101	27	
13	Interruptible	10 <sup>3</sup> m <sup>3</sup>	260,358	2,100	0.8066	(24)	-	-	-	2,076	13	-	-	2,090	27	
14	Monthly Charges	Meter/mo.	962	1,732	\$1,800	-	-	-	-	1,732	-	-	-	1,732	-	
15	Customer supplied fuel	10 <sup>3</sup> m <sup>3</sup>	4,889,989	9,576	-	-	-	(9,576)	-	0	0	-	9,576	9,576	124	
16	Total Rate T1		4,889,989	55,033	1.1254	(1,142)	-	(11,036)	(6,746)	36,110	231	0.64%	17,781	54,122	704	1.30%
<b>T3</b>																
Storage (\$/GJ's)																
Demand																
Firm injection / withdrawal																
17	Union provides deliverability inventory	GJ/d/mo.	-	-	1.980	-	-	-	-	-	-	-	-	-	-	
18	Customer provides deliverability invent	GJ/d/mo.	755,172	793	1.050	-	-	-	(793)	-	-	-	793	793	10	
19	Incremental firm injection right	GJ/d/mo.	-	-	1.050	-	-	-	-	-	-	-	-	-	-	
20	Interruptible	GJ/d/mo.	-	-	1.050	-	-	-	-	-	-	-	-	-	-	
21	Space	GJ/d/mo.	38,098,812	376	0.010	-	-	-	(376)	-	-	-	376	376	5	
22	Commodity (Customer Provides)	GJ	6,349,802	45	0.007	-	-	-	(45)	-	-	-	45	45	1	
23	Commodity (Union Provides)	GJ	-	-	0.064	-	-	-	-	-	-	-	-	-	-	
24	Customer supplied fuel	GJ	6,349,802	360	-	-	-	(360)	-	-	-	-	360	360	5	
Transportation (cents/ m <sup>3</sup> )																
Demand																
25	First 10 <sup>3</sup> m <sup>3</sup> /d/mo.	10 <sup>3</sup> m <sup>3</sup> /d/mo.	30,696	2,766	9.0121	-	-	-	-	2,766	18	-	-	2,784	36	
26	Commodity	10 <sup>3</sup> m <sup>3</sup>	321,455	214	0.0666	-	-	-	-	214	1	-	-	215	3	
27	Monthly Charges	Meter/mo.	12	206	\$17,155	-	-	-	-	206	1	-	-	207	3	
28	Customer supplied fuel	10 <sup>3</sup> m <sup>3</sup>	321,455	828	-	-	-	(828)	-	1	0	-	828	828	11	
29	Total Rate T3		321,455	5,588	1.7385	-	-	(1,187)	(1,214)	3,187	20	0.64%	2,401	5,609	73	1.30%

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers Schedule 6, Column (a) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (g)
- (3) EB-2007-0720, Appendix A effective October 1, 2007 (Excludes Price Adjustments) and EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (4) EB-2005-0520, Rate Order, Working Papers, Schedule 25
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 14
- (6) EB-2005-0520, Exhibit G3, Tab 2, Schedules 3-24, Updated for EB-2005-0520 Board Decision

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Line No.	Particulars	Billing Units	2008 DSM (1) (\$000's)	Add Back Upstream Transportation (\$000's)	2008 GDAR (\$000's)	Proposed Revenue Excl. LRAM (\$000's)	Proposed Rates Excl. LRAM (cents / m <sup>3</sup> )	Rate Change Excl. LRAM (%)	LRAM Adjustments				Rate Change Incl. LRAM (%)	Rate Change Incl. Weather (%)
									LRAM Volume Adjustment (2)	Usage including LRAM Adjustment	Proposed Revenue Incl. LRAM (\$000's)	Proposed Rates Incl. LRAM (cents / m <sup>3</sup> )		
			(o)	(p) = (-e)	(q)	(r) = (l+m+o+p+q)	(s) = (r / a)	(t)	(u)	(v) = (a+u)	(w)	(x) = (w / v)	(y)	(z)
<b>T1 Storage and Transportation</b>														
Storage (\$/GJ's)														
Demand:														
Firm injection / withdrawal														
1	Union provides deliverability inventory	GJ/d/mo.	-	-	-	3,297	2.005	-	-	1,643,806	3,297	2.005	-	-
2	Customer provides deliverability invent	GJ/d/mo.	-	-	-	1,331	1.064	-	-	1,250,570	1,331	1.064	-	-
3	Incremental firm injection right	GJ/d/mo.	-	-	-	-	1.064	-	-	-	-	1.064	-	-
4	Interruptible	GJ/d/mo.	-	-	-	472	1.064	-	-	443,760	472	1.064	-	-
5	Space	GJ/d/mo.	-	-	-	1,551	0.010	-	-	155,037,691	1,551	0.010	-	-
6	Commodity (Customer Provides)	GJ	-	-	-	183	0.007	-	-	25,785,803	183	0.007	-	-
7	Commodity (Union Provides)	GJ	-	-	-	-	0.064	-	-	-	-	0.064	-	-
8	Customer supplied fuel	GJ	-	-	-	1,479	-	-	-	25,785,803	1,479	-	-	-
Transportation (cents/ m <sup>3</sup> )														
Demand														
9	First 140 870 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d/mo.	-	-	-	12,868	19.3384	-	-	66,541	12,868	19.3384	-	-
10	All Over 140 870 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup> /d/mo.	-	-	-	16,495	13.2144	-	-	124,828	16,495	13.2144	-	-
Commodity														
Firm														
11	First 2 360 653 m3	10 <sup>3</sup> m <sup>3</sup>	503	-	-	1,975	0.1666	-	(1,683)	1,163,884	1,975	0.1669	-	-
12	All Over 2 360 653 m3	10 <sup>3</sup> m <sup>3</sup>	727	-	-	2,855	0.0829	-	(4,889)	3,439,174	2,855	0.0830	-	-
13	Interruptible	10 <sup>3</sup> m <sup>3</sup>	26	-	-	2,143	0.8231	-	(370)	259,988	2,143	0.8242	-	-
14	Monthly Charges	Meter/mo.	-	-	-	1,732	\$1,800	-	-	962	1,732	\$1,800	-	-
15	Customer supplied fuel	10 <sup>3</sup> m <sup>3</sup>	-	-	-	9,701	-	-	-	4,889,989	9,701	-	-	-
16	Total Rate T1		1,256	-	-	56,082	1.1469	1.9%	(6,942)	4,883,047	56,082	1.1485	2.1%	2.1%
<b>T3</b>														
Storage (\$/GJ's)														
Demand														
Firm injection / withdrawal														
17	Union provides deliverability inventory	GJ/d/mo.	-	-	-	804	2.005	-	-	-	-	2.005	-	-
18	Customer provides deliverability invent	GJ/d/mo.	-	-	-	-	1.064	-	-	755,172	804	1.064	-	-
19	Incremental firm injection right	GJ/d/mo.	-	-	-	-	1.064	-	-	-	-	1.064	-	-
20	Interruptible	GJ/d/mo.	-	-	-	-	1.064	-	-	-	-	1.064	-	-
21	Space	GJ/d/mo.	-	-	-	381	0.010	-	-	38,098,812	381	0.010	-	-
22	Commodity (Customer Provides)	GJ	-	-	-	45	0.007	-	-	6,349,802	45	0.007	-	-
23	Commodity (Union Provides)	GJ	-	-	-	-	0.064	-	-	-	-	0.064	-	-
24	Customer supplied fuel	GJ	-	-	-	364	-	-	-	6,349,802	364	-	-	-
Transportation (cents/ m <sup>3</sup> )														
Demand														
25	First	10 <sup>3</sup> m <sup>3</sup> /d/mo.	-	-	-	2,820	9.1877	-	-	30,696	2,820	9.1877	-	-
26	Commodity	10 <sup>3</sup> m <sup>3</sup>	-	-	-	218	0.0679	-	-	321,455	218	0.0679	-	-
27	Monthly Charges	Meter/mo.	-	-	-	210	\$17,489	-	-	12	210	\$17,489	-	-
28	Customer supplied fuel	10 <sup>3</sup> m <sup>3</sup>	-	-	-	839	-	-	-	321,455	839	-	-	-
29	Total Rate T3		-	-	-	5,682	1.7675	1.7%	-	321,455	5,682	1.7675	1.7%	1.7%

Notes:

- (1) EB-2006-0021, Decision with Reasons, Page 23  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 13

UNION GAS LIMITED  
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Line No.	Particulars	Billing Units	Adjustments to 2007 Base Rates						Add Back Compressor Fuel, UFG & Storage (\$'000's)	Storage Premium Adjustment (\$'000's)	Storage Premium Adjustment (%)	Adjusted Revenue (\$'000's)	Price Cap Index (\$'000's)	Price Cap Index (%)
			Current Approved Forecast (1)	Current Approved Revenue (2)	Current Approved Rates (3), (4)	2007 DSM (\$'000's)	Upstream Transportation (\$'000's)	Compressor Fuel & UFG (\$'000's)	In-Franchise Storage (\$'000's)					
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (b)+(e)+(f)+(g)	(i)	(j) = (h)+(k)	(m)	(n)
<b>M12 Storage &amp; Transportation Service:</b>														
<b>Cost Based Storage Service:</b>														
1	Demand	10 <sup>3</sup> m <sup>3</sup> /dmo	5,842	2,775	39,582					2,775		2,775	36	1.30%
2	Space	10 <sup>3</sup> m <sup>3</sup> /dmo	385,172	1,630	0.372					1,630		1,630	21	1.30%
3	Commodity - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>	770,154	189	0.245					189		189	2	1.30%
4	Commodity - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>	770,154	1,537						1,537		1,537	20	1.30%
<b>Overrun:</b>														
5	Withdrawal - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>			1,546									
6	Commodity - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>			1,546									
<b>Transportation Service:</b>														
<b>Demand:</b>														
7	Dawn to Kirkwall With Dawn Compr.	10 <sup>3</sup> m <sup>3</sup> /dmo	34,302	31,581	76,721					31,581		31,581	411	1.30%
8	- 12 months	10 <sup>3</sup> m <sup>3</sup> /dmo	3,678	564	76,721					564		564	7	1.30%
9	Dawn to Oakville With Dawn Compr.	10 <sup>3</sup> m <sup>3</sup> /dmo	79,697	86,194	90,127					86,194		86,194	1,121	1.30%
10	- 12 months	10 <sup>3</sup> m <sup>3</sup> /dmo	9,237	1,665	90,127					1,665		1,665	22	1.30%
<b>Commodity:</b>														
<b>Easterly With Dawn Compression:</b>														
11	Union Providing Fuel	10 <sup>3</sup> m <sup>3</sup>	4,988	19	3,794					19		19	0	1.30%
12	Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>	19,830,801	59,438						59,438		59,438	773	1.30%
13	Westerly - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>	629,956	851						851		851	11	1.30%
14	Total M12		20,465,745	186,443						186,443		186,443	2,424	
<b>M13 Transportation of Locally Produced Gas</b>														
15	Monthly Fixed Charge	monthly	31	246	\$ 662					246		246	3	1.30%
16	Transmission Commodity Charge	10 <sup>3</sup> m <sup>3</sup>	290,605	277	0.952					277		277	4	1.30%
17	Commodity	10 <sup>3</sup> m <sup>3</sup>	290,605	340	1,189					340		340	4	1.30%
18	Total M13		290,605	863						863		863	11	

Notes:  
(1) EB-2005-0520, Rate Order Working Papers, Schedule 6, Page 9-10, column (a), adjusted for Enbridge contract LST045 moving to market prices (EB-2005-0551)  
(2) EB-2005-0520, Rate Order Working Papers, Schedule 6, Page 9-10, column (b), adjusted for Enbridge contract LST045 moving to market prices (EB-2005-0551)  
(3) EB-2005-0520, Rate Order Working Papers, Schedule 6, Page 9-10, column (c), adjusted for Enbridge contract LST045 moving to market prices (EB-2005-0551)  
(4) The conversion factor used to convert to \$/GJ as found in the rate schedules is 37.68 GJ per 10<sup>3</sup> m<sup>3</sup>.

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Line No.	Particulars	Billing Units	2008 DSM (\$000's) (e)	Add Back Upstream Transportation (\$000's) (p)=(-e)	2008 GDAR (\$000's) (q)	Proposed Revenue (\$000's) (r) = (l+m+o+p+q)	Proposed Rates (\$/10 <sup>3</sup> m <sup>3</sup> ) (s)=(r/a)	Rate Change (%) (t)
<u>M12 Storage &amp; Transportation Service</u>								
Cost Based Storage Service:								
1	Demand	10 <sup>3</sup> m <sup>3</sup> /d/mo				2,811	40.097	
2	Space	10 <sup>3</sup> m <sup>3</sup> /d/mo				1,651	0.377	
3	Commodity - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>				191	0.248	
4	Commodity - Providing Own Fuel Overrun:	10 <sup>3</sup> m <sup>3</sup>				1,557		
5	Withdrawal - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>					1.566	
6	Commodity - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>					1.566	
Transportation Service:								
Demand:								
7	Dawn to Kirkwall With Dawn Compr. - 12 months	10 <sup>3</sup> m <sup>3</sup> /d/mo				31,992	77.719	
8	- 2 months	10 <sup>3</sup> m <sup>3</sup> /d/mo				572	77.719	
9	Dawn to Oakville With Dawn Compr. - 12 months	10 <sup>3</sup> m <sup>3</sup> /d/mo				87,314	91.298	
10	- 2 months	10 <sup>3</sup> m <sup>3</sup> /d/mo				1,687	91.298	
Commodity:								
Easterly With Dawn Compression:								
11	Union Providing Fuel	10 <sup>3</sup> m <sup>3</sup>				19	3.844	
12	Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>				60,211		
13	Westerly - Providing Own Fuel	10 <sup>3</sup> m <sup>3</sup>				862		
14	Total M12		-	-	-	188,867		1.3%
<u>M13 Transportation of Locally Produced Gas</u>								
15	Monthly Fixed Charge	monthly				250	\$ 671	
16	Transmission Commodity Charge	10 <sup>3</sup> m <sup>3</sup>				280	0.965	
17	Commodity	10 <sup>3</sup> m <sup>3</sup>				344	1.184	
18	Total M13		-	-	-	874		1.3%

**UNION GAS LIMITED**  
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Line No.	Particulars	Billing Units	Current Approved	Current Approved	Current Approved	Adjustments to 2007 Base Rates					Storage Premium	Storage Premium	Add Back	Adjusted Revenue	Price Cap Index	Price Cap Index
			Forecast (1)	Revenue (2)	Rates (3), (4)	2007 DSM	Upstream Transportation	Compressor Fuel & UFG	In-Franchise Storage	Adjusted Revenue	Adjustment	Adjustment	Compressor Fuel, UFG & Storage	Revenue	Index	Index
			Usage	(\$000's)	(cents / m³)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(%)	(\$000's)	(\$000's)	(\$000's)	(%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (b+d+e+f+g)	(i)	(j)	(k)=(-f-g)	(l) = (h+i+k)	(m)	(n)
<u>M16 Storage Transportation Services</u>																
1	Monthly Fixed Charge	monthly	2	18	\$ 750					18				18	0	1.30%
2	Transmission Commodity Charge	10³m³	86,351	82	0.952					82				82	1	1.30%
Charges West of Dawn:																
3	Firm Demand Charge	10³m³/d	279	128	38.219					128				128	2	1.30%
4	Fuel & UFG to Dawn	10³m³	46,503	54	1.169					54				54	1	1.30%
5	Fuel & UFG to Pool	10³m³	46,731	83	1.768					83				83	1	1.30%
Charges East of Dawn:																
6	Firm Demand Charge	10³m³/d	240	81	28.032					81				81	1	1.30%
7	Fuel & UFG to Dawn	10³m³	39,848	47	1.169					47				47	1	1.30%
8	Fuel & UFG to Pool	10³m³	40,325	61	1.509					61				61	1	1.30%
9	Total M16		<u>173,407</u>	<u>553</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>553</u>	<u>-</u>		<u>-</u>	<u>553</u>	<u>7</u>	
<u>C1 Cross Franchise Transportation Service</u>																
Transportation Service:																
Demand:																
St.Clair & Dawn, Ojibway & Dawn																
10	- 12 months	10³m³/mo	1,023	469	38.219					469				469	6	1.30%
11	Parkway to Dawn/Kirkwall	10³m³/mo	3,405	853	20.881					853				853	11	1.30%
Dawn to Parkway																
12	- 12 months	10³m³/mo	396	925	90.127					925				925	12	1.30%
13	- 2 months	10³m³/mo	92	23	90.127					23				23	0	1.30%
Dawn to Dawn Vector																
14	- 11 months	10³m³/mo	2,464	43	1.583					43				43	1	1.30%
Firm Commodity																
15	Parkway to Kirkwall	10³m³	515,750	630	1.222					630				630	8	1.30%
16	Dawn to Parkway - customer supplied fuel	10³m³	149,800	414						414				414	5	1.30%
17	Total C1		<u>1,649,147</u>	<u>3,357</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,357</u>	<u>-</u>		<u>-</u>	<u>3,357</u>	<u>44</u>	

**Notes:**

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 9-10, column (a), adjusted for Enbridge contract LST045 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 contract LST045 moving to market prices (EB-2005-0551)  
(3) EB-2005-0520, Rate Order, Appendix A, Pages 14-17.  
(4) The conversion factor used to convert to \$/GJ as found in the rate schedules is 37.68 GJ per 10<sup>3</sup>m<sup>3</sup>.

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Line No.	Particulars	Billing Units	2008 DSM (\$000's) (o)	Add Back Upstream Transportation (\$000's) (p)=(e)	2008 GDAR (\$000's) (q)	Proposed Revenue (\$000's) (r) = (p+o+p+q)	Proposed Rates (\$10/m <sup>3</sup> ) (s)=(r/a)	Rate Change (%) (t)
<b>M16 Storage Transportation Services</b>								
1	Monthly Fixed Charge	monthly				18	\$ 760	
2	Transmission Commodity Charge	10 <sup>3</sup> m <sup>3</sup>				83	0.965	
3	Charges West of Dawn:							
4	Firm Demand Charge	10 <sup>3</sup> m <sup>3</sup> /d				130	38.715	
5	Fuel & UFG to Dawn	10 <sup>3</sup> m <sup>3</sup>				55	1.184	
6	Fuel & UFG to Pool	10 <sup>3</sup> m <sup>3</sup>				84	1.791	
7	Charges East of Dawn:							
8	Firm Demand Charge	10 <sup>3</sup> m <sup>3</sup> /d				82	28.396	
9	Fuel & UFG to Dawn	10 <sup>3</sup> m <sup>3</sup>				47	1.184	
10	Fuel & UFG to Pool	10 <sup>3</sup> m <sup>3</sup>				62	1.529	
11	Total M16		-	-	-	561		1.3%
<b>C1 Cross Franchise Transportation Service</b>								
Transportation Service:								
Demand:								
10	St Clair & Dawn, Oilway & Dawn	10 <sup>3</sup> m <sup>3</sup> /mo				475	38.715	
11	- 12 months	10 <sup>3</sup> m <sup>3</sup> /mo				864	21.152	
12	Parkway to Dawn/Kirkwall	10 <sup>3</sup> m <sup>3</sup> /mo				937	91.298	
13	Dawn to Parkway	10 <sup>3</sup> m <sup>3</sup> /mo				23	91.298	
14	- 12 months	10 <sup>3</sup> m <sup>3</sup> /mo				44	1.609	
15	Dawn to Dawn Vector	10 <sup>3</sup> m <sup>3</sup> /mo				638	1.238	
16	- 11 months	10 <sup>3</sup> m <sup>3</sup>				419		
17	Firm Commodity	10 <sup>3</sup> m <sup>3</sup>				3,401		1.3%
	Parkway to Kirkwall	10 <sup>3</sup> m <sup>3</sup>						
	Dawn to Parkway - customer supplied fuel	10 <sup>3</sup> m <sup>3</sup>						
	Total C1		-	-	-			

UNION GAS LIMITED  
Rate Impact Continuity  
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Line No.	Particulars	EB-2005-0520 Current Approved	Weather Methodology Change	Storage Premium Adjustment		Application of Price Cap Index	DSM Budget Change	GDAR	Total Excl. LRAM	LRAM	Total Incl. LRAM	Impacts of Previously Approved Changes	Impacts of Union's iR Proposal	
				Approved Changes to Sharing of Storage Margin	Proposed Changes to Sharing of Transmission Margin									
				(a)	(b)									(c)
	<u>Delivery North</u>													
1	R01	Revenue (\$000s)	132,952	132,952	1,363	(537)	3,156	163	378	137,474	137,474			
2		Volumes (10³m³)	905,311	882,801	882,801	882,801	882,801	882,801	882,801	(60)	882,740			
3		Average rate (cents / m³)	14.6858	15.0603	0.1544	(0.0609)	0.3575	0.0184	0.0428	15.5725	0.0011	15.5735		
4		Average rate change (1)		2.5%	1.1%	-0.4%	2.4%	0.1%	0.3%	6.0%	0.0%	6.0%	1.5%	4.6%
5	R10	Revenue (\$000s)	21,882	21,882	210	(83)	486	140	4	22,639	22,639			
6		Volumes (10³m³)	381,369	375,443	375,443	375,443	375,443	375,443	375,443	3,027	378,469			
7		Average rate (cents / m³)	5.7376	5.8282	0.0558	(0.0220)	0.1295	0.0373	0.0010	6.0299	(0.0482)	5.9817		
8		Average rate change (1)		1.6%	1.0%	-0.4%	2.3%	0.7%	0.0%	5.1%	-0.8%	4.3%	0.8%	3.5%
9	R20	Revenue (\$000s)	7,444	7,444	67	(26)	83	101	-	7,669	7,669			
10		Volumes (10³m³)	525,588	525,588	525,588	525,588	525,588	525,588	525,588	3,445	529,033			
11		Average rate (cents / m³)	1.4163	1.4163	0.0128	(0.0050)	0.0158	0.0192	-	1.4591	(0.0095)	1.4496		
12		Average rate change (1)		0.0%	0.9%	-0.4%	1.1%	1.4%	0.0%	3.0%	-0.7%	2.3%	1.6%	0.8%
13	R25	Revenue (\$000s)	2,402	2,402	25	(10)	31	-	-	2,449	2,449			
14		Volumes (10³m³)	104,645	104,645	104,645	104,645	104,645	104,645	104,645	-	104,645			
15		Average rate (cents / m³)	2.2956	2.2956	0.0242	(0.0096)	0.0300	-	-	2.3403	-	2.3403		
16		Average rate change (1)		0.0%	1.1%	-0.4%	1.3%	0.0%	0.0%	1.9%	0.0%	1.9%	1.1%	0.9%
17	R77	Revenue (\$000s)	28	28	0	(0)	0	-	-	28	28			
18		Volumes (10³m³)	92	92	92	92	92	92	92	-	92			
19		Average rate (cents / m³)	30.1758	30.1758	0.3187	(0.1257)	0.3948	-	-	30.7636	-	30.7636		
20		Average rate change (1)		0.0%	1.1%	-0.4%	1.3%	0.0%	0.0%	1.9%	0.0%	1.9%	1.1%	0.9%
21	R100	Revenue (\$000s)	16,153	16,153	148	(58)	187	162	-	16,592	16,592			
22		Volumes (10³m³)	2,275,112	2,275,112	2,275,112	2,275,112	2,275,112	2,275,112	2,275,112	6,066	2,281,177			
23		Average rate (cents / m³)	0.7100	0.7100	0.0065	(0.0026)	0.0082	0.0071	-	0.7293	(0.0019)	0.7274		
24		Average rate change (1)		0.0%	0.9%	-0.4%	1.2%	1.0%	0.0%	2.7%	-0.3%	2.4%	1.6%	0.8%

Notes:

(1) Average rate change is compared to column (a)

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Line No.	Particulars	EB-2005-0520 Current Approved (a)	Weather Methodology Change (b)	Storage Premium Adjustment		Application of Price Cap Index (e)	DSM Budget Change (f)	GDAR (g)	Total Excl. LRAM (h)=(b+c+d+e+f+g)	LRAM (i)	Total Incl. LRAM (j)=(h+i)	Impacts of Previously Approved Changes (k)=(c+f+g+i)	Impacts of Union's IR Proposal (l)=(b+d+e)	
				Approved Changes to Sharing of Storage Margin (c)	Proposed Changes to Sharing of Transmission Margin (d)									
In-franchise South Delivery & Storage														
1	M1 - Delivery	Revenue (\$000s)	330,697	330,697	3,380	(1,333)	7,921	542	1,252	342,459	342,459			
2		Volumes (10 <sup>3</sup> m <sup>3</sup> )	2,862,265	2,798,595	2,798,595	2,798,595	2,798,595	2,798,595	2,798,595	(1,739)	2,796,857			
3		Average rate (cents / m <sup>3</sup> )	11.5537	11.8165	0.1208	(0.0476)	0.2830	0.0194	0.0447	12.2368	0.0076	12.2444		
4	M1 - Storage	Revenue (\$000s)	28,757	28,757			696			29,453	29,453			
5		Volumes (10 <sup>3</sup> m <sup>3</sup> )	2,862,265	2,862,265			2,862,265			-	2,862,265			
6		Average rate (cents / m <sup>3</sup> )	1.0047	1.0047			0.0243			1.0290	-	1.0290		
7	M1	Total Average rate (cents / m <sup>3</sup> )	12.5584	12.8212	0.1208	(0.0476)	0.3074	0.0194	0.0447	13.2658	0.0076	13.2734		
8		Average rate change (1)		2.1%	1.0%	-0.4%	2.4%	0.2%	0.4%	5.6%	0.1%	5.7%	1.5%	4.2%
9	M2 - Delivery	Revenue (\$000s)	43,218	43,218	390	(154)	997	224	9	44,684	44,684			
10		Volumes (10 <sup>3</sup> m <sup>3</sup> )	1,100,502	1,076,022	1,076,022	1,076,022	1,076,022	1,076,022	1,076,022	7,361	1,083,382			
11		Average rate (cents / m <sup>3</sup> )	3.9271	4.0165	0.0362	(0.0143)	0.0927	0.0209	0.0008	4.1527	(0.0282)	4.1245		
12	M2 - Storage	Revenue (\$000s)	8,132	8,132			197			8,329	8,329			
13		Volumes (10 <sup>3</sup> m <sup>3</sup> )	1,100,502	1,100,502			1,100,502			-	1,100,502			
14		Average rate (cents / m <sup>3</sup> )	0.7390	0.7390			0.0179			0.7568	-	0.7568		
15	M2	Total Average rate (cents / m <sup>3</sup> )	4.6661	4.7554	0.0362	(0.0143)	0.1106	0.0209	0.0008	4.9096	(0.0282)	4.8814		
16		Average rate change (1)		1.9%	0.8%	-0.3%	2.4%	0.4%	0.0%	5.2%	-0.6%	4.6%	0.6%	4.0%
17	M4	Revenue (\$000s)	13,769	13,769	90	(36)	156	184	-	14,164	14,164			
18		Volumes (10 <sup>3</sup> m <sup>3</sup> )	453,027	453,027	453,027	453,027	453,027	453,027	453,027	21,101	474,128			
19		Average rate (cents / m <sup>3</sup> )	3.0394	3.0394	0.0199	(0.0079)	0.0344	0.0406	-	3.1264	(0.1391)	2.9873		
20		Average rate change (1)		0.0%	0.7%	-0.3%	1.1%	1.3%	0.0%	2.9%	-4.6%	-1.7%	-2.6%	0.9%
21	M5	Revenue (\$000s)	8,038	8,038	61	(24)	105	-	-	8,180	8,180			
22		Volumes (10 <sup>3</sup> m <sup>3</sup> )	404,634	404,634	404,634	404,634	404,634	404,634	404,634	(15,720)	388,914			
23		Average rate (cents / m <sup>3</sup> )	1.9865	1.9865	0.0152	(0.0060)	0.0259	-	-	2.0216	0.0817	2.1034		
24		Average rate change (1)		0.0%	0.8%	-0.3%	1.3%	0.0%	0.0%	1.8%	4.1%	5.9%	4.9%	1.0%
25	M7	Revenue (\$000s)	6,670	6,670	40	(16)	78	70	-	6,842	6,842			
26		Volumes (10 <sup>3</sup> m <sup>3</sup> )	277,546	277,546	277,546	277,546	277,546	277,546	277,546	5,231	282,777			
27		Average rate (cents / m <sup>3</sup> )	2.4033	2.4033	0.0143	(0.0056)	0.0281	0.0252	-	2.4652	(0.0456)	2.4196		
28		Average rate change (1)		0.0%	0.6%	-0.2%	1.2%	1.0%	0.0%	2.6%	-1.9%	0.7%	-0.3%	0.9%
29	M9	Revenue (\$000s)	592	592	3	(1)	8	-	-	602	602			
30		Volumes (10 <sup>3</sup> m <sup>3</sup> )	24,506	24,506	24,506	24,506	24,506	24,506	24,506	-	24,506			
31		Average rate (cents / m <sup>3</sup> )	2.4159	2.4159	0.0129	(0.0051)	0.0315	-	-	2.4552	-	2.4552		
32		Average rate change (1)		0.0%	0.5%	-0.2%	1.3%	0.0%	0.0%	1.6%	0.0%	1.6%	0.5%	1.1%
33	M10	Revenue (\$000s)	5	5	0	(0)	0	-	-	6	6			
34		Volumes (10 <sup>3</sup> m <sup>3</sup> )	202	202	202	202	202	202	202	-	202			
35		Average rate (cents / m <sup>3</sup> )	2.6978	2.6978	0.0144	(0.0057)	0.0352	-	-	2.7417	-	2.7417		
36		Average rate change (1)		0.0%	0.5%	-0.2%	1.3%	0.0%	0.0%	1.6%	0.0%	1.6%	0.5%	1.1%

Notes:

(1) Average rate change is compared to column (a)



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Line No.	Particulars	EB-2005-0520 Current Approved (a)	Weather Methodology Change (b)	Storage Premium Adjustment		Application of Price Cap Index (e)	DSM Budget Change (f)	GDAR (g)	Total Excl. LRAM (h)=(b+c+d+e+f+g)	LRAM (i)	Total Incl. LRAM (j)=(h+i)	Impacts of Previously Approved Changes (k)=(c+f+g+i)	Impacts of Union's IR Proposal (l)=(b+d+e)	
				Approved Changes to Sharing of Storage Margin (c)	Proposed Changes to Sharing of Transmission Margin (d)									
In-franchise South Delivery & Storage (cont'd)														
1	T1	Revenue (\$000s)	55,033	55,033	381	(150)	704	114	-	56,082		56,082		
2		Volumes (10 <sup>3</sup> m <sup>3</sup> )	4,889,989	4,889,989	4,889,989	4,889,989	4,889,989	4,889,989	4,889,989	(6,942)	4,883,047			
3		Average rate (cents / m <sup>3</sup> )	1.1254	1.1254	0.0078	(0.0031)	0.0144	0.0023	-	1.1469	0.0016	1.1485		
4		Average rate change (1)		0.0%	0.7%	-0.3%	1.3%	0.2%	0.0%	1.9%	0.1%	2.1%	1.0%	1.0%
5	T3	Revenue (\$000s)	5,588	5,588	34	(13)	73	-	-	5,682		5,682		
6		Volumes (10 <sup>3</sup> m <sup>3</sup> )	321,455	321,455	321,455	321,455	321,455	321,455	321,455	321,455	-	321,455		
7		Average rate (cents / m <sup>3</sup> )	1.7385	1.7385	0.0105	(0.0041)	0.0227	-	-	1.7675	-	1.7675		
8		Average rate change (1)		0.0%	0.6%	-0.2%	1.3%	0.0%	0.0%	1.7%	0.0%	1.7%	0.6%	1.1%
Northern Transportation and Storage														
9	R01	Revenue (\$000s)	54,225	54,225	9	(3)	400	-	-	54,631		54,631		
10		Volumes (10 <sup>3</sup> m <sup>3</sup> )	905,311	905,311	905,311	905,311	905,311	905,311	905,311	905,311	-	905,311		
11		Average rate (cents / m <sup>3</sup> )	5.9897	5.9897	0.0010	(0.0004)	0.0442	-	-	6.0345	-	6.0345		
12		Average rate change (1)		0.0%	0.0%	0.0%	0.7%	0.0%	0.0%	0.7%	0.0%	0.7%	0.0%	0.7%
13	R10	Revenue (\$000s)	19,572	19,572	0	(0)	113	-	-	19,685		19,685		
14		Volumes (10 <sup>3</sup> m <sup>3</sup> )	379,141	379,141	379,141	379,141	379,141	379,141	379,141	379,141	-	379,141		
15		Average rate (cents / m <sup>3</sup> )	5.1621	5.1621	0.0001	(0.0000)	0.0298	-	-	5.1920	-	5.1920		
16		Average rate change (1)		0.0%	0.0%	0.0%	0.6%	0.0%	0.0%	0.6%	0.0%	0.6%	0.0%	0.6%
17	R20	Revenue (\$000s)	6,515	6,515	1	(0)	10	-	-	6,526		6,526		
18		Volumes (10 <sup>3</sup> m <sup>3</sup> )	171,554	171,554	171,554	171,554	171,554	171,554	171,554	171,554	-	171,554		
19		Average rate (cents / m <sup>3</sup> )	3.7978	3.7978	0.0007	(0.0003)	0.0056	-	-	3.8039	-	3.8039		
20		Average rate change (1)		0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.2%	0.0%	0.2%	0.0%	0.1%
21	R25	Revenue (\$000s)	1,032	1,032	0	(0)	0	-	-	1,032		1,032		
22		Volumes (10 <sup>3</sup> m <sup>3</sup> )	41,048	41,048	41,048	41,048	41,048	41,048	41,048	41,048	-	41,048		
23		Average rate (cents / m <sup>3</sup> )	2.5147	2.5147	0.0000	(0.0000)	0.0000	-	-	2.5147	-	2.5147		
24		Average rate change (1)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25	R100	Revenue (\$000s)	1,767	1,767	-	-	20	-	-	1,788		1,788		
26		Change (1)		0.0%			1.1%			1.1%		1.1%	0.0%	1.1%
Ex-franchise - Cost Based														
27	M12	Revenue (\$000s)	186,443	186,443	-	-	2,424	-	-	188,867		188,867		
28		Change (1)		0.0%			1.3%			1.3%		1.3%	0.0%	1.3%
29	M13	Revenue (\$000s)	863	863	-	-	11	-	-	874		874		
30		Change (1)		0.0%			1.3%			1.3%		1.3%	0.0%	1.3%
31	M16	Revenue (\$000s)	553	553	-	-	7	-	-	561		561		
32		Change (1)		0.0%			1.3%			1.3%		1.3%	0.0%	1.3%
33	C1	Revenue (\$000s)	3,357	3,357	-	-	44	-	-	3,401		3,401		
34		Change (1)		0.0%			1.3%			1.3%		1.3%	0.0%	1.3%

Notes:

(1) Average rate change is compared to column (a)

UNION GAS LIMITED  
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Unbundled Delivery Rate Detail  
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Line No.	Particulars	Billing Units (a)	Forecast Usage (1) (b)	SSS & SPS (\$000's) (c)	Gas Supply Balancing Costs (\$000's) (d)	Gas in Storage Inventory Carrying Costs (\$000's) (e)	Storage Revenue (\$000's) (f) = (c+d+e)	Storage Rates (cents/m <sup>3</sup> ) (g) = (f / b) *100	Delivery Rates (6) (cents/m <sup>3</sup> ) (h)
<b>Rate M1</b>									
Monthly delivery commodity charge:									
1	First 100 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	942,287	6,782	-	2,914	9,696	1.0290	6.0095
2	Next 150 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	787,238	5,666	-	2,434	8,101	1.0290	5.7026
3	All over 250 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	1,132,740	8,153	-	3,503	11,656	1.0290	4.9765
4	Total		2,862,265	20,602 (2)	-	8,851 (3)	29,453		
<b>Rate M2</b>									
Monthly delivery commodity charge:									
5	First 1 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	77,186	122	-	462	584	0.7568	3.8640
6	Next 6 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	375,176	594	-	2,246	2,839	0.7568	3.7900
7	Next 13 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	308,414	488	-	1,846	2,334	0.7568	3.5692
8	All over 20 000 m <sup>3</sup>	10 <sup>3</sup> m <sup>3</sup>	339,726	538	-	2,034	2,571	0.7568	3.3046
9	Total		1,100,502 (4)	1,741 (5)	-	6,588 (5)	8,329		

Notes:

- (1) EB-2007-0606, Exhibit D, Tab 3, Schedule 12
- (2) EB-2007-0606, Exhibit D, Tab 3, Schedule 6, Page 3 of 3, Line 6, Column (a)
- (3) EB-2007-0606, Exhibit D, Tab 3, Schedule 6, Page 3 of 3, Line 10, Column (a)
- (4) EB-2007-0606, Exhibit D, Tab 3, Schedule 6, Page 3 of 3, Line 6, Column (b)
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 6, Page 3 of 3, Line 10, Column (b)
- (6) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Page 12 of 22

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Line No.	Particulars	Billing Units	Forecast Usage (1)	Bundled Delivery Revenue (2) (\$000's)	Unbundling Adjustments			Unbundled Delivery Revenue (\$000's)	Unbundled Delivery Rates (Cents/m <sup>3</sup> )
					Standard Storage Service (3) (\$000's)	Gas Supply Balancing Costs (\$000's)	Gas in Storage Inventory Carrying Costs (4) (\$000's)		
		(a)	(b)	(c)	(d)	(e)	(f)	(g)=(c)-(d+e+f)	(h)=(g / b)
	Rate U5								
	Firm contracts								
1	Monthly demand charge	10 <sup>3</sup> m <sup>3</sup> /d	2,686	755	(116)	-	(41)	598	22.2690
2	Monthly delivery commodity charge	10 <sup>3</sup> m <sup>3</sup>	67,353	1,232				1,232	1.8286
3	Total Firm		67,353	1,986	(116)	-	(41)	1,830	2.7166
	Interruptible contracts								
4	Daily delivery commodity charge (Avg Price) (5)	10 <sup>3</sup> m <sup>3</sup>	337,281	5,378	(679)	-	(535)	4,164	1.2345
5	Total Rate U5		404,634	7,364	(795)	-	(576)	5,993	1.4812

Notes:

- (1) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Page 13 of 22, Column (a)  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Page 14 of 22, Column (w)  
(3) EB-2007-0606, Exhibit D, Tab 3, Schedule 6, Page 3 of 3, Line 6  
(4) EB-2007-0606, Exhibit D, Tab 3, Schedule 6, Page 3 of 3, Line 10.  
(5) Average price change will be applied to each block of the U5 interruptible delivery rate
- |  |                 |
|--|-----------------|
| Column (h), Line 4   | 1.2345          |
| EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Page 14 of 22, Column (x), Line 12 | 1.6590          |
| Average difference between Bundled and Unbundled                               | <u>(0.4245)</u> |

UNION GAS LIMITED  
Southern Operations Area  
Unbundled Delivery Cost Detail  
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Line No.	Particulars (\$000's)	M1 (a)	M2 (b)	M5 Firm (c)	M5 Interruptible (d)
	<u>SSS/ SPS</u>				
1	Storage Dehydrator (1)	120	39	1	5
2	Storage Ex. Dehydrator (2)	12,478	4,021	100	477
3	Storage Space (3)	16,855	4,270	56	732
4	Storage	29,453	8,329	157	1,214
5	Less: ICC on Gas in Storage (4)	8,851	6,588	41	535
6	Total SSS/SPS	20,602	1,741	116	679
	<u>Gas Supply Balancing</u>				
7	Total Gas Supply Balancing	-	-	-	-
	<u>Gas In Storage Inventory Carrying Costs</u>				
8	Gas in Storage (5)	95,172	70,836	436	5,755
9	ICC %	9.3%	9.3%	9.3%	9.3%
10	Gas in Storage Inventory Carrying Costs	8,851	6,588	41	535

Notes:

- (1) EB-2005-0520, Exhibit G3, Tab 3, Schedule 6 and Schedule 7, Updated for EB-2005-0520 Board Decision
- (2) EB-2005-0520, Exhibit G3, Tab 3, Schedule 8 and Schedule 9, Updated for EB-2005-0520 Board Decision
- (3) EB-2005-0520, Exhibit G3, Tab 3, Schedule 10, Updated for EB-2005-0520 Board Decision
- (4) Per Line 10
- (5) EB-2005-0520, Exhibit G3, Tab 5, Schedule 9, Page 9 of 24, Updated for EB-2005-0520 Board Decision

UNION GAS LIMITED  
Southern Operations Area  
Storage Rate Detail

Line No.	Particulars	T1/T3 Storage Rates Approved 2007			T1/T3 Storage Rates Approved 2008			Unbundled Storage Rates Approved 2008		
		Costs (1) (\$000's)	Allocation Units (2) (GJ's)	Rate (3) (\$/GJ)	Costs (4) (\$000's)	Allocation Units (5) (GJ's)	Rate (\$/GJ)	Costs (8) (\$000's)	Allocation Units (5) (GJ's)	Rate (\$/GJ)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	<u>Demand</u>									
1	Space	16,432	138,693,411	0.010	16,646	138,693,411	0.010 (6)	16,646	138,693,411	0.010 (9)
2	Deliverability	51,876			52,551			52,551		
	Less:									
3	Inventory Carrying Costs	0			0			(24,666)		
4	Demand/Commodity Shift	0			0			(2,500)		
5	Subtotal	51,876	2,183,669	1.980	52,551	2,183,669	2.005 (6)	25,384	2,183,669	0.969 (9)
6	Total Demand	68,308	138,693,411	0.041	69,196	138,693,411	0.042 (6)	42,030	138,693,411	0.025 (9)
	<u>Commodity</u>									
7	Fuel/Unaccounted for Gas	17,264	305,234,225	0.057	17,488	305,234,225	0.057 (7)	17,488	305,234,225	0.057 (10)
8	Other	2,143	305,234,225	0.007	2,171	305,234,225	0.007 (7)	2,171	305,234,225	0.007 (10)
	Plus:				0					
9	Demand/Commodity Shift	0			0			2,500	305,234,225	0.008 (10)
10	Subtotal	19,407	305,234,225	0.064	19,659	305,234,225	0.064 (7)	22,159	305,234,225	0.073 (10)
11	Total	87,715	305,234,225	0.287	88,856	305,234,225	0.291 (7)	64,189	305,234,225	0.210 (10)

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 9, Page 1, Column (d)  
(2) EB-2005-0520, Exhibit G3, Tab 5, Schedule 26, (South only), Updated for Updated for EB-2005-0520 Board Decision  
(3) EB-2005-0520, Rate Order, Working Papers, Schedule 9, Page 1, Column (f)  
(4) EB-2007-0606, Exhibit D, Tab 3, Schedule 7, Page 2  
(5) EB-2005-0520, Exhibit G3, Tab 5, Schedule 26, (South only), Updated for EB-2005-0520 Board Decision

- (6) Columns (d / e \* 1000 / 12)  
(7) Columns (d / e \* 1000)  
(8) EB-2007-0606, Exhibit D, Tab 3, Schedule 7, Page 2  
(9) Columns (g / h \* 1000 / 12)  
(10) Columns (g / h \* 1000)

UNION GAS LIMITED  
Southern Operations Area  
Storage Rate Detail

Line No.	Particulars	Costs (1) (\$000's) (a)	Volumes (GJ's) (b)
	<u>Space</u>		
1	Storage Ex. Dehydrator Space	33,753	
2	Less: Working Cap. Gas in Storage (2)	(17,107)	
3	Total Space Costs	<u>16,646</u>	
	<u>Deliverability</u>		
4	Storage Dehydrator Demand	427	
5	Storage Ex. Dehydrator Demand	27,622	
6	Less: Tecumseh Dehydration	(165)	
7	Inventory Carrying Costs (3)	24,666	
8	Total Deliverability	<u>52,551</u>	
	<u>Inventory Carrying Costs</u>		
9	Space (4)		138,693,411
10	Inventory Percentage		20%
11	Inventory		<u>27,738,682</u>
12	WACOG in Costs (5)		9.439
13	ICC %		9.3%
14	Inventory Carrying Costs	<u>24,666</u>	
	<u>Fuel and UFG</u>		
15	Fuel (6)	7,896	
16	UFG (6)	9,592	
17	Fuel and UFG	<u>17,488</u>	
	<u>Other Commodity Costs</u>		
18	Storage Dehydrator Commodity	205	
19	Storage Ex. Dehydrator Commodity	19,498	
20	Less: Enbridge Dehydrator	(43)	
21	Less: Fuel and UFG	(17,488)	
22	Other Commodity Costs	<u>2,171</u>	

Notes:

- (1) EB-2005-0520, Exhibit G3, Tab 2, Schedules 5-9, Updated for EB-2005-0520 Board Decision \* PCI %
- (2) EB-2005-0520, Exhibit G3, Tab 5, Schedule 9, Pages 9-11 of 24, (South only)\* ICC%, Updated for EB-2005-0520 Board Decision \* PCI %
- (3) Per Line 14
- (4) EB-2007-0606, Exhibit D, Tab 3, Schedule 7, Page 1 of 2, Column (e)
- (5)  $\$355.473/10^3\text{m}^3 / 37.66 \text{ GJ}/10^3\text{m}^3$
- (6) EB-2005-0520, Exhibit G3, Tab 5, Schedule 8, Updated for EB-2005-0520 Board Decision \* PCI %

UNION GAS LIMITED  
Unbundled Storage Rate Detail - Northern and Eastern Operations Area

Line No.	Particulars	Storage Rates Approved 2007			Storage Rates Approved 2008			Unbundled Storage Rates Approved 2008		
		Costs (1) (\$000's)	Allocation Units (2) (GJ's)	Rate (3) (\$/GJ)	Costs (4) (\$000's)	Allocation Units (5) (GJ's)	Rate (\$/GJ)	Costs (8) (\$000's)	Allocation Units (GJ's)	Rate (\$/GJ)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Demand Storage	9,198			9,494			9,494		
2	Delivery/Redelivery	18,172			18,233			18,233		
	Less:									
3	Demand/Commodity Shift	1,865			1,889			1,889		
4	Inventory Carrying Costs	(2,789)			(2,825)			(5,149)		
5	Delivery/Redelivery in Delivery	(2,334)			(2,342)			(2,342)		
6	Unbundled Delivery/Redelivery	-			-			(15,891)		
7	Total Demand	<u>24,113</u>	178,000	11.289	<u>24,449</u>	178,000	11.446 (6)	<u>6,234</u>	15,800,995 (9)	0.033 (10)
	Commodity									
8	Storage	4,140			4,200			4,200		
9	Delivery/Redelivery	1,741			1,758			1,758		
	Plus:									
10	Demand/Commodity Shift	(1,865)			(1,889)			(1,889)		
	Less:									
11	Delivery/Redelivery in Delivery	(225)			(227)			(227)		
12	Unbundled Delivery/Redelivery	-			-			(1,531)		
13	Total Commodity	<u>3,791</u>	15,800,995	0.240	<u>3,841</u>	15,800,995	0.243 (7)	<u>2,310</u>	31,601,990 (11)	0.073 (12)
14	Total	<u>27,904</u>	15,800,995	1.766	<u>28,290</u>	15,800,995	1.790 (7)	<u>8,545</u>	31,601,990	0.270 (12)

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 10, Page 1, Column (d)  
(2) EB-2005-0520, Exhibit G3, Tab 5, Schedule 26, Updated for EB-2005-0520 Board Decision  
(3) EB-2005-0520, Rate Order, Working Papers, Schedule 10, Page 1  
(4) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 5  
(5) EB-2005-0520, Exhibit G3, Tab 5, Schedule 26, Updated for EB-2005-0520 Board Decision  
(6) Columns (d / e \* 1000 / 12)

- (7) Columns (d / e \* 1000)  
(8) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 5  
(9) Line 13, Column (e)  
(10) Columns (g / h \* 1000 / 12)  
(11) Line 13, Column (e) \* 2  
(12) Columns (g / h \* 1000)

UNION GAS LIMITED  
Unbundled Storage Rate Detail - Northern and Eastern Operations Area

		Unbundled Delivery/Redelivery Rates Approved 2008		
Line No.	Particulars	Costs (1) (\$000's) (a)	Allocation Units (2) (GJ's) (b)	Rate (\$/GJ) (c)
	<i>Delivery Demand</i>			
1	Fort Frances	0	0	0.000 (3)
2	Western	969	2,763	29.227 (3)
3	Northern	4,288	29,715	12.025 (3)
4	Eastern	656	45,471	1.202 (3)
5	Total Delivery Demand	5,913	75,186	
	<i>Redelivery Demand</i>			
6	Fort Frances	9	341	2.278 (3)
7	Western	886	32,401	2.278 (3)
8	Northern	2,988	109,324	2.278 (3)
9	Eastern	6,095	85,657	5.929 (3)
10	Total Redelivery Demand	9,978	227,722	
11	Total Demand	15,891	(4) 302,908	
	<i>Delivery Commodity</i>			
12	Fort Frances	0	0	0.000 (5)
13	Western	19	588,771	0.032 (5)
14	Northern	110	4,628,503	0.024 (5)
15	Eastern	114	6,124,751	0.019 (5)
16	Total Delivery Commodity	243	11,342,025	
	<i>Redelivery Commodity</i>			
17	Fort Frances	0	0	0.000 (5)
18	Western	354	3,693,614	0.096 (5)
19	Northern	392	4,083,800	0.096 (5)
20	Eastern	542	5,394,236	0.101 (5)
21	Total Redelivery Commodity	1,288	13,171,649	
22	Total Commodity	1,531	(6) 24,513,674	

Notes:

- (1) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 4  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 4, \* 37.66 GJ/103m3  
(3) Columns (a / b \* 1000 / 12)

- (4) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 4, Column (a), Line 13  
(5) Columns (a / b \* 1000)  
(6) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 4, Column (a), Line 22



UNION GAS LIMITED  
Northern and Eastern Delivery/Redelivery  
Costs and System Integrity Allocation

Line No.	Particulars	Total	Injections		Withdrawals	
			Del-Demand	Del-Comm	Re-Del-Demand	Re-Del-Comm
		(a)	(b)	(c)	(d)	(e)
<u>Costs (\$ '000's)</u>						
1	STS	\$ 13,993 (1)	\$ 6,770	\$ 226	\$ 6,770	\$ 227
2	Storage WPS	\$ -	\$ -	\$ -	\$ -	\$ -
3	Dawn-Trafalgar Transportation	\$ 5,997 (2)	\$ -	\$ 52	\$ 4,693	\$ 1,253
4	Backhauls/Exchanges	\$ -	\$ -	\$ -	\$ -	\$ -
5	Total	<u>\$ 19,990</u>	<u>\$ 6,770</u>	<u>\$ 278</u>	<u>\$ 11,463</u>	<u>\$ 1,480</u>
<u>Allocation of System Integrity</u>						
6	Total Demand (10*3m*3 /d)	9,317	2,370	-	6,947	-
7	System Integrity Demand (10*3m*3 /d)	1,200	300	-	900	-
8	System Integrity % of Demand		12.66%	12.66%	12.96%	12.96%
9	System Integrity Costs	<u>\$ 2,569</u>	<u>\$ 857</u>	<u>\$ 35</u>	<u>\$ 1,485</u>	<u>\$ 192</u>
10	Service Costs	<u>\$ 17,422</u>	<u>\$ 5,913</u>	<u>\$ 243</u>	<u>\$ 9,978</u>	<u>\$ 1,288</u>

Notes:

- (1) EB-2005-0520, Exhibit G3, Tab 4, Schedule 3, Updated for EB-2005-0520 Board Decision  
(2) EB-2005-0520, Exhibit G3, Tab 2, Schedules 12-18, Updated for EB-2005-0520 Board Decision \* PCI %

UNION GAS LIMITED  
Northern and Eastern Delivery/Redelivery  
Delivery/Redelivery Costs by Zone

Line No	Particulars	Total (a)	Fort Frances (b)	Western (c)	Northern (d)	Eastern (e)
<u>Demand</u>						
<u>Delivery</u>						
1	Service Demand (10*3m <sup>3</sup> /d)	2,070	-	73	789	1,207
2	System Integrity (10*3m <sup>3</sup> /d)	300 (1)	-	11	114	175
3	Total Demand (10*3m <sup>3</sup> /d)	2,370 (2)	-	84	903	1,382
4	TCPL/Union Rate (\$/10*3m <sup>3</sup> /d)		\$ -	\$ 603,502	\$ 248,304	\$ 24,830
5	Allocator to zones (Line 3 * Line 4)	270,177	-	44,277	195,921	29,980
6	Service Demand Costs (\$000's)	\$ 5,913 (3)	\$ -	\$ 969	\$ 4,288	\$ 656
<u>Redelivery</u>						
7	Service Demand (10*3m <sup>3</sup> /d)	6,047	9	860	2,903	2,274
8	System Integrity (10*3m <sup>3</sup> /d)	900 (4)	1	128	432	339
9	Total Demand (10*3m <sup>3</sup> /d)	6,947 (5)	10	988	3,335	2,613
10	TCPL/Union Rate (\$/10*3m <sup>3</sup> /d)		\$ 98,426	\$ 98,426	\$ 98,426	\$ 256,221
11	Allocator to zones (Line 9 * Line 10)	954,063	891	84,680	285,724	582,768
12	Service Demand Costs (\$000's)	\$ 9,978 (6)	\$ 9	\$ 886	\$ 2,988	\$ 6,095
13	Total Demand Costs	\$ 15,891	\$ 9	\$ 1,855	\$ 7,276	\$ 6,751
<u>Commodity</u>						
<u>Delivery</u>						
14	Service Commodity (10*3m <sup>3</sup> )	301,169	-	15,634 (7)	122,902	162,633
15	TCPL/Union Rate (\$/ 10*3m <sup>3</sup> )		-	\$ 2,197	\$ 1,805	\$ 1,259
16	Allocator to zones (Line 13 * Line 14)	436,395	-	34,342	197,308	204,744
17	Service Commodity Costs (\$000's)	\$ 243 (8)	\$ -	\$ 19	\$ 110	\$ 114
<u>Redelivery</u>						
18	Service Commodity (10*3m <sup>3</sup> )	-	-	98,078 (9)	108,439	143,235
19	TCPL/Union Rate (\$/ 10*3m <sup>3</sup> )		-	\$ 4,082	\$ 4,082	\$ 4,278
20	Allocator to zones (Line 17 * Line 19)	1,455,738	-	400,354	442,647	612,737
21	Service Commodity Costs (\$000's)	\$ 1,288 (10)	\$ -	\$ 354	\$ 392	\$ 542
22	Total Commodity Costs	\$ 1,531	\$ -	\$ 373	\$ 501	\$ 656

Notes:

- (1) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (b)  
(2) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (b)  
(3) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (b)  
(4) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (d)  
(5) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (d)  
(6) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (d)

- (7) STS Injections less System Integrity portion  
(8) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (c)  
(9) STS Withdrawals less System Integrity portion  
(10) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Column (e)

UNION GAS LIMITED  
Northern and Eastern Operations Area  
Storage Rate Detail

Line No.	Particulars	Costs (1) (\$000's) (a)
	<u>Storage Demand</u>	
1	Storage Dehydration Demand	21
2	Storage Ex. Dehydration Demand	15,967
3	Storage Space	7,045
4	Less: Delivery/ Redelivery Demand (2)	(13,540)
5	Less: Storage Winter Peaking Service	-
6	Storage Demand	<u>9,494</u>
	<u>Delivery/ Redelivery Demand</u>	
7	Delivery/ Redelivery Demand (3)	<u>18,233</u>
	<u>Inventory Carrying Costs</u>	
8	Working Cap. Gas in Storage Space (4)	24,988
9	Working Cap. Balancing Gas in Storage (4)	30,378
10	Total Gas in Working Capital	55,366
11	ICC %	9.3%
12	Gas in Storage Space Carrying Costs	2,324
13	Balancing Gas in Storage Carrying Costs	2,825
14	Total Inventory Carrying Costs	<u>5,149</u>
	<u>Delivery/ Redelivery in Delivery Demand</u>	
15	Delivery/ Redelivery in Delivery (5)	<u>2,342</u>
	<u>Unbundled Delivery Redelivery</u>	
16	Delivery/ Redelivery Demand (3)	18,233
17	Less: Delivery/ Redelivery in Delivery (5)	(2,342)
18	Unbundled Delivery/ Redelivery	<u>15,891</u>
	<u>Storage Commodity</u>	
19	Storage Dehydrator Commodity	9
20	Storage Ex. Dehydrator Commodity	4,644
21	Less: Delivery/ Redelivery Commodity (6)	(453)
22	Storage Commodity	<u>4,200</u>
	<u>Delivery/ Redelivery Commodity</u>	
23	Delivery/ Redelivery Commodity (7)	<u>1,758</u>
	<u>Delivery/ Redelivery in Delivery Commodity</u>	
24	Delivery/ Redelivery in Delivery (8)	<u>227</u>

Notes:

- (1) EB-2005-0520, Exhibit G3, Tab 2, Schedule 5-9, Updated for EB-2005-0520 Board Decision \* PCI %
- (2) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Line 1, Column (b+d)
- (3) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Line 5, Column (b+d)
- (4) EB-2005-0520, Exhibit G3, Tab 5, Schedule 9, Page 12 of 24, (North only), Updated for EB-2005-0520 Board Decision \* PCI %
- (5) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Line 9, Column (b+d)
- (6) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Line 1, Column (c+e)
- (7) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Line 5, Column (c+e)
- (8) EB-2007-0606, Exhibit D, Tab 3, Schedule 8, Page 3 of 5, Line 9, Column (c+e)

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

Line No.	Particulars	Ft. Frances (a)	Western (b)	Northern (c)	Eastern (d)
Northern and Eastern Operations Area					
Rate 20 - At 50% Load Factor					
Delivery (cents / m <sup>3</sup> )					
1	Monthly Demand (1)	20.7785	20.7785	20.7785	20.7785
2	x 12 months	249.3420	249.3420	249.3420	249.3420
3	/ 365 days	0.6831	0.6831	0.6831	0.6831
4	@ 50% L.F.	1.3663	1.3663	1.3663	1.3663
5	Commodity Charge (2)	0.3079	0.3079	0.3079	0.3079
6	Total Delivery Commissioning	1.6742	1.6742	1.6742	1.6742
Gas Supply (cents / m <sup>3</sup> )					
7	Monthly Demand (3)	25.3849	25.9164	42.8901	57.0782
8	Gas Supply Demand - Price Adjustment (3)	0.3573	0.3573	0.3573	0.3573
9	(Line 7 + Line 8) x 12 months	308.9064	315.2844	518.9688	689.2260
10	/ 365 days	0.8463	0.8638	1.4218	1.8883
11	@ 50% L.F.	1.6926	1.7276	2.8437	3.7766
12	Transportation 1 (4)	2.1966	2.2053	2.6050	2.9404
13	Transportation 1 - Price Adjustment	(0.0909)	(0.0909)	(0.0909)	(0.0909)
14	(Line 12 + Line 13) x 4/5	1.6846	1.6915	2.0113	2.2796
15	Transportation 2 (5)	0.1334	0.1310	0.2059	0.2733
16	x 1/5	0.0267	0.0262	0.0412	0.0547
17	Total Commodity Transportation Charge for Commissioning Rate	3.4039	3.4453	4.8961	6.1108
Rate 100 - At 70% Load Factor					
Delivery (cents / m <sup>3</sup> )					
18	Monthly Demand (6)	12.1640	12.1640	12.1640	12.1640
19	x 12 months	145.9680	145.9680	145.9680	145.9680
20	/ 365 days	0.3999	0.3999	0.3999	0.3999
21	@ 70% L.F.	0.5713	0.5713	0.5713	0.5713
22	Commodity Charge (7)	0.2192	0.2192	0.2192	0.2192
23	Total Delivery Commissioning	0.7905	0.7905	0.7905	0.7905
Gas Supply (cents / m <sup>3</sup> )					
24	Monthly Demand (8)	40.6945	41.2381	60.9906	77.5013
25	x 12 months	488.3340	494.8572	731.8872	930.0156
26	/ 365 days	1.3379	1.3558	2.0052	2.5480
27	@ 70% L.F.	1.9113	1.9368	2.8645	3.6400
28	Transportation 1 (9)	3.8838	3.8903	4.1901	4.4417
29	x 3/7	1.6645	1.6673	1.7958	1.9036
30	Transportation 2 (10)	0.1334	0.1310	0.2059	0.2733
31	x 4/7	0.0762	0.0749	0.1177	0.1562
32	Total Commodity Transportation Charge for Commissioning Rate	3.6520	3.6789	4.7779	5.6997

Notes:

- |                              |                               |
|------------------------------|-------------------------------|
| (1) Appendix A, Page 3 of 17 | (6) Appendix A, Page 4 of 17  |
| (2) Appendix A, Page 3 of 17 | (7) Appendix A, Page 4 of 17  |
| (3) Appendix A, Page 3 of 17 | (8) Appendix A, Page 4 of 17  |
| (4) Appendix A, Page 3 of 17 | (9) Appendix A, Page 4 of 17  |
| (5) Appendix A, Page 3 of 17 | (10) Appendix A, Page 4 of 17 |

UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Effective January 1, 2008

Line No.	Particulars	cents / m <sup>3</sup>	(\$ / GJ)
	Minimum annual gas supply commodity charge - Rate M4, M5A		
1	Compressor Fuel	1.3055	
2	Transportation Tolls	3.3287	
3	Administration Charge	0.3173	
4	Minimum annual gas supply commodity charge	<u>4.9515</u>	<u>1.318</u>
	<u>Gas Supply Commodity Charges</u>		
5	Commodity Cost of Gas	27.8995	
6	FT Transportation Commodity	0.2733	
7	FT Fuel	1.3055	
8	Total Gas Supply Commodity Charge	<u>29.4783</u>	<u>7.846</u>
	<u>Firm Gas Supply Service Monthly Demand Charge</u>		
9	FT Demand Charge	<u>109.0552</u>	<u>29.027</u>

UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Effective January 1, 2008

Line No.	Particulars			cents / m <sup>3</sup>	(\$ / GJ)
	Firm backstop gas:				
	Demand:				
1	Monthly space charge		0.0376		
2	Units required (1)	Note: Each unit of added delivery requires 43 m <sup>3</sup> of additional inventory.	43		
3	Number of months		12	19.3888 (a)	
	Inventory carrying costs:				
4	Sales WACOG		32.8510		
5	Withdrawal overrun		6.4440		
6			39.2951		
7	Units required (m <sup>3</sup> )		43		
8	Pre-tax return (%)		9.300%	157.1410 (b)	
9	Annual demand charge			176.5298 (a) + (b)	
10				12	
11	Monthly demand charge			14.7108	3.916
	Commodity:				
12	Sales WACOG			32.8510	
13	Withdrawal overrun			6.4440	
14	Overrun transportation			1.0021	
15	Commodity charge			40.2972	10.726
	Reasonable efforts backstop gas:				
16	M1 Block 1 plus Storage			7.0385	
17	Sales WACOG			32.8510	
18				39.8895	10.617
	Supplemental inventory:				
19	Sales WACOG			32.8510	
20	Injection commodity			0.3968	
21	Space charge	0.0376 x 12		0.4509	
22				33.6987	8.970
	Carrying costs (1/2 year)				
23		33.6987 x 9.300% / 2		1.5670	
24				35.2657	9.387
	Supplemental gas sales:				
25	Supplemental inventory			35.2657	
26	Overrun withdrawal			6.4440	
27	Overrun transportation			1.0021	
28				42.7118	
	Failure to Deliver:				
29	M1 Block 1 plus Storage			7.0385	1.873
30	Failure to Deliver Adjustment			5.1708	1.376
31	Failure to Deliver Charge			12.2093	3.250

Notes:

(1) Each unit of added delivery requires 43 m<sup>3</sup> of additional inventory.

UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Calculation of Minimum, Maximum & Seasonal Charges  
Effective January 1, 2008

Line No.		cents / m <sup>3</sup>
	<u>Minimum Charges</u>	
	Rate M4	
1	Minimum annual delivery commodity charge:	
2	Monthly delivery commodity charge (1st Block M4)	0.9342
3	Administration Fee	0.3173
	Minimum annual delivery commodity charge	<u>1.2515</u>
	Rate M5	
	Minimum annual delivery commodity charge:	
4	Monthly delivery commodity charge (1st block M5)	1.9978
5	Administration Fee	0.3173
6	Minimum annual delivery commodity charge	<u>2.3151</u>
	<u>Maximum Charges</u>	
	Rate M7 Interruptible	
	Maximum interruptible delivery commodity charge:	
7	M7 firm commodity charge	0.3540
8	M7 firm demand charge commoditized using 35% LF	2.4407
9	M7 maximum interruptible charge	<u>2.7947</u>
10	Rate T1 Interruptible	
	Maximum interruptible delivery commodity charge:	<u>2.7947</u>





UNION GAS LIMITED  
Northern & Eastern Operations Area  
Percentage Change in Average Unit Price  
Effective January 1, 2008

Line No.	Particulars (cents/m <sup>3</sup> )	Rate Classification	Current Approved Rates (1) (cents / m <sup>3</sup> ) (a)	Rate Change (b) = (c - a)	Proposed Rates (2) (cents / m <sup>3</sup> ) (c)	Percent Change (3) (%) (d) = (b / a)
	Small volume general service	01				
1	Delivery		15.0603	0.5133	15.5735	3.4%
2	Gas Supply Transportation		3.6674	0.0028	3.6702	0.1%
3	Storage		2.3223	0.0420	2.3643	1.8%
4	Total		<u>21.0500</u>	<u>0.5581</u>	<u>21.6080</u>	<u>2.7%</u>
	Large volume general service	10				
5	Delivery		5.8282	0.1534	5.9817	2.6%
6	Gas Supply Transportation		3.4852	(0.0000)	3.4852	0.0%
7	Storage		1.6770	0.0297	1.7067	1.8%
8	Total		<u>10.9904</u>	<u>0.1831</u>	<u>11.1736</u>	<u>1.7%</u>
	Medium volume firm service	20				
9	Delivery		1.4163	0.0333	1.4496	2.3%
10	Gas Supply Transportation		3.7978	0.0061	3.8039	0.2%
11	Total		<u>5.2141</u>	<u>0.0393</u>	<u>5.2534</u>	<u>0.8%</u>
	Large volume high load factor	100				
12	Delivery		<u>0.7100</u>	<u>0.0174</u>	<u>0.7274</u>	<u>2.4%</u>
	Large volume interruptible	25				
13	Delivery		<u>2.2956</u>	<u>0.0447</u>	<u>2.3403</u>	<u>1.9%</u>
	Wholesale transportation	77				
14	Delivery		<u>30.1758</u>	<u>0.5878</u>	<u>30.7636</u>	<u>1.9%</u>

Notes:

- (1) Excludes Price Adjustments.
- (2) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Column (x)
- (3) Excludes Gas Supply Commodity related costs.

UNION GAS LIMITED  
Southern Operations Area  
Percentage Change in Average Unit Price  
Effective January 1, 2008

Line No.	Particulars (cents/m <sup>3</sup> )	Rate Classification	Current Approved Rates (1) (cents / m <sup>3</sup> ) (a)	Rate Change (b) = (c - a)	Proposed Rates (2) (cents / m <sup>3</sup> ) (c)	Percent Change (3) (%) (d) = (b / a)
	General Service	M1				
1	Delivery		11.8165	0.4279	12.2444	3.6%
2	Storage		1.0047	0.0243	1.0290	2.4%
3	Total		12.8212	0.4522	13.2734	3.5%
	General Service	M2				
4	Delivery		4.0165	0.1081	4.1245	2.7%
5	Storage		0.7390	0.0179	0.7568	2.4%
6	Total		4.7554	0.1260	4.8814	2.6%
7	Firm Contract Com/ Ind Delivery	M4	3.0394	(0.0521)	2.9873	-1.7%
8	Firm Contract Com/ Ind Delivery	M5F	2.8954	0.1729	3.0682	6.0%
9	Interruptible Contract Com/ Ind Delivery	M5I	1.8050	0.1057	1.9107	5.9%
10	Special Large Volume Contract Delivery	M7F	2.4553	0.0162	2.4715	0.7%
11	Special Large Volume Contract Delivery	M7I	1.1741	0.0185	1.1926	1.6%
12	Large Wholesale Service Delivery	M9	2.4159	0.0393	2.4552	1.6%
13	Small Wholesale Service Delivery	M10	2.6978	0.0439	2.7417	1.6%
14	Storage and Transportation Delivery	T1 F/I	1.1254	0.0231	1.1485	2.1%
15	Delivery excluding fuel		0.8997	0.0198	0.9195	2.2%
16	Storage and Transportation Distributor	T3	1.7385	0.0290	1.7675	1.7%

Notes:

- (1) Excludes Price Adjustments.
- (2) EB-2007-0606, Exhibit D, Tab 3, Schedule 4, Column (x)
- (3) Excludes Gas Supply Commodity related costs.

UNION GAS LIMITED  
Southern Operations Area  
General Service Customer Bill Impacts

Line No.	Particulars	Rate M1 - Residential (Annual Consumption of 2,600 m <sup>3</sup> )			
		EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1) (a)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1) (b)	Impact (\$) (c) = (b) - (a)	Percent Change (%) (d) = (c) / (a)
	<u>Delivery Charges</u>				
1	Monthly Charge	192.00	192.00	-	
2	Delivery Commodity Charge	134.42	146.59	12.17	
3	Storage Service	24.19	26.75	2.56	
4	Total Delivery Charge	350.61	365.35	14.74	4.2%
	<u>Supply Charges</u>				
5	Transportation to Union	86.55	86.55	-	
6	Gas Supply Commodity (2)	767.59	767.59	-	
7	Total Gas Supply Charge	854.14	854.14	-	
8	Total Bill	1,204.75	1,219.48	14.74	1.2%
9	Impacts for Customer Notices - Sales (line 8)			14.74	
10	Impacts for Customer Notices - Direct Purchase (line 4)			14.74	

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  
Southern Operations Area  
General Service Customer Bill Impacts

Line No.	Particulars	Rate M2 - Industrial (Annual Consumption of 73,000 m <sup>3</sup> )			
		EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1)	Impact (\$) (c) = (b) - (a)	Percent Change (%) (d) = (c) / (a)
		(a)	(b)	(c) = (b) - (a)	(d) = (c) / (a)
	<u>Delivery Charges</u>				
1	Monthly Charge	192.00	840.00	648.00	
2	Delivery Commodity Charge	3,038.74	2,753.89	(284.85)	
3	Storage Service	679.57	552.46	(127.11)	
4	Total Delivery Charge	3,910.31	4,146.36	236.05	6.0%
	<u>Supply Charges</u>				
5	Transportation to Union	2,429.96	2,429.96	-	
6	Gas Supply Commodity (2)	21,551.30	21,551.30	-	
7	Total Gas Supply Charge	23,981.26	23,981.26	-	
8	Total Bill	27,891.57	28,127.62	236.05	0.8%
9	Impacts for Customer Notices - Sales (line 8)			236.05	
10	Impacts for Customer Notices - Direct Purchase (line 4)			236.05	

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 <sup>3</sup> )				(Western) Rate 01 - Residential (Annual Consumption of 2,600 m <sup>3</sup> )			
		EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1) (a)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1) (b)	Impact (\$) (c)=(b)-(a)	Percent Change (%) (d) = (c) / (a)	EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1) (e)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1) (f)	Impact (\$) (g) = (f)-(e)	Percent Change (%) (h) = (g) / (e)
	<u>Delivery Charges</u>								
1	Monthly Charge	192.00	192.00	-		192.00	192.00	-	
2	Delivery Commodity Charge	229.51	249.28	19.77		229.51	249.28	19.77	
3	Total Delivery Charge	421.51	441.28	19.77	4.7%	421.51	441.28	19.77	4.7%
	<u>Supply Charges</u>								
4	Transportation to Union	77.43	77.46	0.03		78.03	78.11	0.08	
5	Storage Service	49.67	50.56	0.89		49.59	50.49	0.90	
6	Subtotal	127.10	128.02	0.92		127.62	128.60	0.98	
7	Commodity & Fuel (2)	743.15	743.15	-		750.08	750.08	-	
8	Total Gas Supply Charge	870.25	871.17	0.92		877.70	878.68	0.98	
9	Total Bill	1,291.76	1,312.45	20.69	1.6%	1,299.21	1,319.96	20.75	1.6%
10	Impacts for Customer Notices - Sales (line 10)			20.69				20.75	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 4 + line 5)			20.69				20.75	

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 <sup>3</sup> )				(Eastern) Rate 01 - Residential (Annual Consumption of 2,600 m <sup>3</sup> )			
		EB-2005-0520 Approved 01-Jan-07 Total Bill (\$ (1) (a)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$ (1) (b)	Impact (\$) (c)=(b)-(a)	Percent Change (%) (d) = (c) / (a)	EB-2005-0520 Approved 01-Jan-07 Total Bill (\$ (1) (e)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$ (1) (f)	Impact (\$) (g) = (f)-(e)	Percent Change (%) (h) = (g) / (e)
	<u>Delivery Charges</u>								
1	Monthly Charge	192.00	192.00	-		192.00	192.00	-	
2	Delivery Commodity Charge	229.34	249.11	19.77		228.96	248.70	19.74	
3	Total Delivery Charge	421.34	441.11	19.77	4.7%	420.96	440.70	19.74	4.7%
	<u>Supply Charges</u>								
4	Transportation to Union	93.95	94.02	0.07		107.62	107.70	0.08	
5	Storage Service	59.68	60.75	1.07		67.81	69.04	1.23	
6	Subtotal	153.63	154.77	1.14		175.43	176.74	1.31	
7	Commodity & Fuel (2)	759.54	759.54	-		767.59	767.59	-	
8	Total Gas Supply Charge	913.17	914.31	1.14		943.02	944.33	1.31	
9	Total Bill	1,334.51	1,355.42	20.91	1.6%	1,363.98	1,385.03	21.05	1.5%
10	Impacts for Customer Notices - Sales (line 10)			20.91				21.05	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 4 + line 5)			20.91				21.05	

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 10 - Commercial (Annual Consumption of 93,000 m <sup>3</sup> )				(Western) Rate 10 - Commercial (Annual Consumption of 93,000 m <sup>3</sup> )			
		EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1) (a)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1) (b)	Impact (\$) (c)=(b)-(a)	Percent Change (%) (d) = (c) / (a)	EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1) (e)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1) (f)	Impact (\$) (g) = (f)-(e)	Percent Change (%) (h) = (g) / (e)
	<u>Delivery Charges</u>								
1	Monthly Charge	840.00	840.00	-		840.00	840.00	-	
2	Delivery Commodity Charge	5,523.40	5,782.83	259.43		5,523.40	5,782.83	259.43	
3	Total Delivery Charge	6,363.40	6,622.83	259.43	4.1%	6,363.40	6,622.83	259.43	4.1%
	<u>Supply Charges</u>								
4	Transportation to Union	2,539.92	2,539.92	-		2,562.33	2,562.33	-	
5	Storage Service	1,139.72	1,159.89	20.17		1,137.47	1,157.66	20.19	
6	Subtotal	3,679.64	3,699.81	20.17		3,699.80	3,719.99	20.19	
7	Commodity & Fuel (2)	26,581.53	26,581.53	-		26,829.94	26,829.94	-	
8	Total Gas Supply Charge	30,261.17	30,281.34	20.17		30,529.74	30,549.93	20.19	
9	Total Bill	36,624.57	36,904.17	279.60	0.8%	36,893.14	37,172.76	279.62	0.8%
10	Impacts for Customer Notices - Sales (line 10)			279.60				279.62	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 4 + line 5)			279.60				279.62	

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 <sup>3</sup> )				(Eastern) Rate 10 - Commercial (Annual Consumption of 93,000 m <sup>3</sup> )			
		EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1)	Impact (\$) (c)=(b)-(a)	Percent Change (%) (d) = (c) / (a)	EB-2005-0520 Approved 01-Jan-07 Total Bill (\$) (1)	EB-2007-0606 Proposed 01-Jan-08 Total Bill (\$) (1)	Impact (\$) (g) = (f)-(e)	Percent Change (%) (h) = (g) / (e)
		(a)	(b)	(c)=(b)-(a)	(d) = (c) / (a)	(e)	(f)	(g) = (f)-(e)	(h) = (g) / (e)
	<u>Delivery Charges</u>								
1	Monthly Charge	840.00	840.00	-		840.00	840.00	-	
2	Delivery Commodity Charge	5,517.44	5,776.61	259.17		5,532.69	5,792.58	259.89	
3	Total Delivery Charge	6,357.44	6,616.61	259.17	4.1%	6,372.69	6,632.58	259.89	4.1%
	<u>Supply Charges</u>								
4	Transportation to Union	3,131.31	3,131.31	-		3,620.22	3,620.22	-	
5	Storage Service	1,497.95	1,524.45	26.50		1,788.86	1,820.57	31.71	
6	Subtotal	4,629.26	4,655.76	26.50		5,409.08	5,440.79	31.71	
7	Commodity & Fuel (2)	27,168.73	27,168.73	-		27,455.74	27,455.74	-	
8	Total Gas Supply Charge	31,797.99	31,824.49	26.50		32,864.82	32,896.53	31.71	
9	Total Bill	38,155.43	38,441.10	285.67	0.7%	39,237.51	39,529.11	291.60	0.7%
10	Impacts for Customer Notices - Sales (line 10)			285.67				291.60	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 4 + line 5)			285.67				291.60	

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  
Impact of Weather Normalization Methodology Change

Line No.	Particulars	Billing Units 10 <sup>3</sup> m <sup>3</sup> (a)	Approved Revenue (\$000's) (b)	Approved Rates (cents/m <sup>3</sup> ) (c) = (b) / (a)	Impact (cents/m <sup>3</sup> ) (d)	Impact (\$000's) (e)
<u>Rate M1; 2007 Approved Revenue &amp; Rates (1)</u>						
1	Monthly Customer Charge	11,761,016	188,176	\$16.00		
2	First 100 m <sup>3</sup>	942,287	51,148	5.4281		
3	Next 150 m <sup>3</sup>	787,238	40,534	5.1489		
4	All over 250 m <sup>3</sup>	1,132,740	50,838	4.4881		
5	Total M1 Delivery	2,862,265	<u>330,697</u>			
<u>Rate M1; Weather Normalization Methodology Change (2)</u>						
6	Monthly Customer Charge	11,761,016	188,176	\$16.00	\$0.00	
7	First 100 m <sup>3</sup>	921,326	51,148	5.5516	0.1235	1,138
8	Next 150 m <sup>3</sup>	769,727	40,534	5.2660	0.1171	901
9	All over 250 m <sup>3</sup>	1,107,542	50,838	4.5902	0.1021	1,131
10	Total M1 Delivery	2,798,595	<u>330,697</u>			<u>3,170</u>
<u>Rate M2; 2007 Approved Revenue &amp; Rates (1)</u>						
11	Monthly Customer Charge	83,737	5,862	\$70.00		
12	First 1,000 m <sup>3</sup>	77,186	2,825	3.6602		
13	Next 6,000 m <sup>3</sup>	375,176	13,469	3.5901		
14	Next 13,000 m <sup>3</sup>	308,414	10,427	3.3810		
15	All over 20,000 m <sup>3</sup>	339,726	10,634	3.1303		
16	Total M2 Delivery	1,100,502	<u>43,218</u>			
<u>Rate M2; Weather Normalization Methodology Change (2)</u>						
17	Monthly Customer Charge	83,737	5,862	\$70.00	\$0.00	
18	First 1,000 m <sup>3</sup>	75,469	2,825	3.7435	0.0833	63
19	Next 6,000 m <sup>3</sup>	366,830	13,469	3.6718	0.0817	300
20	Next 13,000 m <sup>3</sup>	301,554	10,427	3.4579	0.0769	232
21	All over 20,000 m <sup>3</sup>	332,169	10,634	3.2015	0.0712	237
22	Total M2 Delivery	1,076,022	<u>43,218</u>			<u>831</u>

Notes

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 21  
(2) Volumes adjusted to reflect the change in weather normalization methodology.

UNION GAS LIMITED  
Impact of Weather Normalization Methodology Change

Line No.	Particulars	Billing Units 10 <sup>3</sup> m <sup>3</sup> (a)	Approved Revenue (\$000's) (b)	Approved Rates (cents/m <sup>3</sup> ) (c) = (b) / (a)	Impact (cents/m <sup>3</sup> ) (d)	Impact (\$000's) (e)
<u>Rate 01; 2007 Approved Revenue &amp; Rates (1)</u>						
1	Monthly Charge	3,548,064	56,769	\$16.00		
2	First 100 m <sup>3</sup>	206,995	19,122	9.2380		
3	Next 200 m <sup>3</sup>	289,457	25,000	8.6369		
4	Next 200 m <sup>3</sup>	138,617	11,380	8.2100		
5	Next 500 m <sup>3</sup>	132,078	10,326	7.8180		
6	Over 1,000 m <sup>3</sup>	138,164	10,354	7.4944		
7	Total Rate 01 Delivery	905,311	<u>132,952</u>			
<u>Rate 01; Weather Normalization Methodology Change (2)</u>						
8	Monthly Charge	3,548,064	56,769	\$16.00	\$0.00	
9	First 100 m <sup>3</sup>	201,848	19,122	9.4736	0.2356	475
10	Next 200 m <sup>3</sup>	282,260	25,000	8.8571	0.2202	622
11	Next 200 m <sup>3</sup>	135,170	11,380	8.4194	0.2094	283
12	Next 500 m <sup>3</sup>	128,794	10,326	8.0174	0.1994	257
13	Over 1,000 m <sup>3</sup>	134,728	10,354	7.6855	0.1911	257
14	Total Rate 01 Delivery	882,801	<u>132,952</u>			<u>1,894</u>
<u>Rate 10; 2007 Approved Revenue &amp; Rates (3)</u>						
15	Monthly Charge	35,539	2,488	\$70.00		
16	First 1,000 m <sup>3</sup>	23,408	1,722	7.3562		
17	Next 9,000 m <sup>3</sup>	144,913	8,484	5.8543		
18	Next 20,000 m <sup>3</sup>	102,022	5,099	4.9979		
19	Next 70,000 m <sup>3</sup>	70,063	3,117	4.4495		
20	Over 100,000 m <sup>3</sup>	40,964	972	2.3725		
21	Total Rate 10 Delivery	381,370	<u>21,882</u>			
<u>Rate 10; Weather Normalization Methodology Change (2)</u>						
22	Monthly Charge	35,539	2,488	\$70.00	\$0.00	
23	First 1,000 m <sup>3</sup>	23,044	1,722	7.4723	0.1161	27
24	Next 9,000 m <sup>3</sup>	142,661	8,484	5.9467	0.0924	132
25	Next 20,000 m <sup>3</sup>	100,436	5,099	5.0768	0.0789	79
26	Next 70,000 m <sup>3</sup>	68,974	3,117	4.5197	0.0702	48
27	Over 100,000 m <sup>3</sup>	40,327	972	2.4100	0.0375	15
28	Total Rate 10 Delivery	375,443	<u>21,882</u>			<u>301</u>
29	Total General Service					<u><u>6,197</u></u>

Notes

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 20  
(2) Volumes adjusted to reflect the change in weather normalization methodology.  
(3) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 2

UNION GAS LIMITED  
Calculation of 2005 and 2006 Lost Revenue Adjustment Mechanism (LRAM) Volume Adjustment

Line No.	Particulars (10 <sup>3</sup> m <sup>3</sup> )	Adjustment for 2005 Volumes			Adjustment for 2006 Volumes			Total LRAM Volume Adjustment (g) = (c) + (f)
		Forecast 2005 DSM Volumes (1) (a)	Audited 2005 DSM Volumes (2) (b)	Net Adjustment for 2005 DSM (c) = (a) - (b)	Forecast 2006 DSM Volumes (3) (d)	Audited 2006 DSM Volumes (4) (e)	Net Adjustment for 2006 DSM (f) = (d) - (e)	
<b>South</b>								
1	M1	5,236	3,703	1,533	6,922	10,194	(3,272)	(1,739)
2	M2	22,101	12,923	9,178	18,922	20,739	(1,817)	7,361
3	M4	17,685	6,154	11,531	14,853	5,282	9,570	21,101
4	M5	-	6,741	(6,741)	-	8,978	(8,978)	(15,720)
5	M7	6,841	4,681	2,160	5,644	2,573	3,071	5,231
6	T1	10,946	7,227	3,719	9,209	19,870	(10,661)	(6,942)
7	Total South	62,809	41,429	21,380	55,549	67,637	(12,088)	9,292
<b>North</b>								
8	Rate 01	3,245	2,699	546	6,138	6,744	(606)	(60)
9	Rate 10	2,303	2,791	(488)	5,587	2,072	3,515	3,027
10	Rate 20	7,847	10,887	(3,040)	8,286	1,800	6,486	3,445
11	Rate 100	12,314	6,987	5,327	12,959	12,221	738	6,066
12	Total North	25,709	23,365	2,344	32,970	22,837	10,133	12,477
13	Total	88,518	64,794	23,724	88,519	90,474	(1,955)	21,769

**Notes:**

- (1) RP-2005-0520, Exhibit D1, Tab 7, Page 3 of 7, Corrected; updated for M1/M2 split.
- (2) EB-2007-0598 Exhibit A, Tab 1, Schedule 2, Page 4 of 5; updated for M1/M2 split.
- (3) RP-2005-0520, Exhibit D1, Tab 7, Page 3 of 7, Corrected; updated for M1/M2 split.
- (4) Summary of the Results of the 2006 Evaluation Report Audit, page 4 (submitted by Union to the OEB Secretary on June 29, 2007 in compliance with section 2.1.12 of the Board's Reporting and Record Keeping Requirements Rule); updated for M1/M2 split; updated M4 and M5 volumes from 2006 audit.

UNION GAS LIMITED  
Total Delivery and Storage Revenue  
Effective January 1, 2008

Line No.	Particulars	EB-2005-0520 Approved Revenue (1) (\$000's) (a)	Change in TCPL FT Tolls (2) (\$000's) (b)	Current Approved Revenue (\$000's) (c) = (a)+(b)	Upstream Transportation Costs (3) (\$000's) (d)	Delivery and Storage Revenue (\$000's) (e)=(c)+(d)
	<u>Delivery North</u>					
1	R01	132,953		132,953		132,953
2	R10	21,882		21,882		21,882
3	R20	7,444		7,444		7,444
4	R25	2,402		2,402		2,402
5	R77	28		28		28
6	R100	16,154		16,154		16,154
7	Total North Delivery	<u>180,862</u>	<u>-</u>	<u>180,862</u>	<u>-</u>	<u>180,862</u>
	<u>In-franchise South Delivery and Storage</u>					
8	M2	410,804		410,804		410,804
9	M4	13,769		13,769		13,769
10	M5	8,038		8,038		8,038
11	M7	6,670		6,670		6,670
12	M9	592		592		592
13	M10	5		5		5
14	T1	55,033		55,033		55,033
15	T3	5,588		5,588		5,588
16	Total South Delivery and Storage	<u>500,500</u>	<u>-</u>	<u>500,500</u>	<u>-</u>	<u>500,500</u>
17	Total In-franchise Delivery and Storage	<u>681,362</u>	<u>-</u>	<u>681,362</u>	<u>-</u>	<u>681,362</u>

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 5, Column (f)
- (2) EB-2007-0053, Working Papers, Schedule 5, Page 2 and EB-2007-0634, Working Papers, Schedule 5, Page 2
- (3) EB-2005-0520, Rate Order, Working Papers, Schedule 26, Column (b); including diversions; updated for TCPL toll changes.

UNION GAS LIMITED  
Total Delivery and Storage Revenue  
Effective January 1, 2008

Line No.	Particulars	EB-2005-0520 Approved Revenue (1) (\$000's) (a)	Change in TCPL FT Tolls (2) (\$000's) (b)	Current Approved Revenue (\$000's) (c) = (a)+(b)	Upstream Transportation Costs (3) (\$000's) (d)	Delivery and Storage Revenue (\$000's) (e)=(c)+(d)
<u>Northern Transportation and Storage</u>						
1	R01	51,577	2,648	54,225	(39,418)	14,807
2	R10	18,492	1,080	19,572	(15,415)	4,157
3	R20	6,059	456	6,515	(5,845)	670
4	R25	941	91	1,032	(1,032)	0
5	R100	1,767	-	1,767	(487)	1,281
6	Total North Transport and Storage	<u>78,837</u>	<u>4,275</u>	<u>83,112</u>	<u>(62,196)</u>	<u>20,915</u>
7	Total In-franchise	<u>760,199</u>	<u>4,275</u>	<u>764,473</u>	<u>(62,196)</u>	<u>702,277</u>
<u>Ex-franchise</u>						
8	M12	188,280		188,280		188,280
9	M13	863		863		863
10	M16	553		553		553
11	C1	66,860		66,860		66,860
12	Total Ex-franchise	<u>256,556</u>	<u>-</u>	<u>256,556</u>	<u>-</u>	<u>256,556</u>
13	Total Delivery and Storage	<u>1,016,756</u>	<u>4,275</u>	<u>1,021,030</u>	<u>(62,196)</u>	<u>958,834</u>

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 5, Column (f)
- (2) EB-2007-0053, Working Papers, Schedule 5, Page 2 and EB-2007-0634, Working Papers, Schedule 5, Page 2
- (3) EB-2005-0520, Rate Order, Working Papers, Schedule 26, Column (b); including diversions; updated for TCPL toll changes.

UNION GAS LIMITED  
Summary of S&T Transactional Margin Included In 2008 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)	Change in Sharing of Forecast S&T Margin (f)=(d-e)
	Transportation & Exchange Services Acct. 179-69						
1	Transportation and Exchanges	4,000	1,417	2,583			
2	M12 Transportation Overrun	-	-	-			
3	Total Transportation & Exchanges	<u>4,000</u>	<u>1,417</u>	<u>2,583</u>	<u>222</u>	<u>2,583</u>	(3) <u>(2,361)</u>
	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	<u>17,961</u>	<u>2,132</u>	<u>15,829</u>	<u>14,246</u>	<u>11,254</u>	(4) <u>2,992</u>
8	Total Long Term Peak Storage Services Acct. 179-72	<u>42,058</u>	<u>20,653</u>	<u>21,405</u>	<u>19,265</u>	<u>16,054</u>	(5) <u>3,211</u>
9	Other S&T Services Acct. 179-73 / 179-74	895	42	853	768	853	(6) (85)
10	Total	<u>64,914</u>	<u>24,244</u>	<u>40,670</u>	<u>34,501</u>	<u>30,744</u>	<u>3,756</u>

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