

# Présentation globale du dossier

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## Dossier tarifaire 1999

# Présentation globale du dossier

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- Principes réglementaires:
  - Taux de rendement et adoption d'une formule
  - Compte régulateur de la température

# Présentation globale du dossier

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- **Principes tarifaires:**

- Nouveaux services (Phase I)
- Tarif interruptible- volet II (Phase I)
- Flexibilité tarifaire (Bi-énergie, mazout)
- Mécanisme d'ajustement mensuel du prix du gaz de compression
- Critères et procédures d'interruption
- Tarif résidentiel

## Présentation globale du dossier

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# Présentation globale du dossier

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- Éléments de la hausse tarifaire originale
- Éléments de la hausse tarifaire révisée en tenant compte d'un tarif de compression et impact des opérations courantes
- Impact sur la hausse tarifaire révisée s'il n'y a pas de tarif de compression
- Conclusion

# Détail des opérations courantes

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	<u>Millions \$</u>
▪ Perte de marge brute reliée à la réduction des volumes	(5,8)
▪ Marge brute provenant des volumes supplémentaires au tarif 5, volet 2, volet 1B et volet 1A	1,8
▪ Optimisation du service interruptible	0,2
▪ Optimisation des outils d'approvisionnement	2,8
▪ Impact de la hausse de la marchandise	
▪ Sur le coût du gaz perdu	(0,8)
▪ Sur les inventaires inclus dans la base	<u>(1,1)</u>
	<u>(2,9)</u>

**Etat du revenu d'exploitation pro-forma**  
 Période de 12 mois se terminant le 30 septembre 1999  
 ( 000 '\$ )

No de Ligne	Section de ref.	Description	Projections de l'entreprise de gaz	Tarif TCPL	Cotisation \$ Austra. provinc.	Redevance à la Régie	Taxe sur le réseau transmission	Sous-total	Impact des opérations		Encadrement Réglementaire	Résultats Pro-forma
									courantes	Sous-total		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	4	Ventes de gaz avant rabais	1 184 379					1 184 379		1 184 379		1 184 379
2	3	Rabais à la consommation	(20 479)					(20 479)		(20 479)		(20 479)
3		Revenu additionnel requis	0	9 837	2 202	(4 168)	(2 131)	5 740	4 349	10 089	1 939	12 028
4		Ventes après rabais	1 163 900	9 837	2 202	(4 168)	(2 131)	1 169 640	4 349	1 173 989	1 939	1 175 928
5	5	Coût de transport, d'entreposage et de marchandise	779 565	10 087	0	0	0	789 652	0	789 652	0	789 652
6			384 335	(250)	2 202	(4 168)	(2 131)	379 988	4 349	384 337	1 939	386 276
7	2	Autres revenus d'exploitation	2 286	0	0	0	0	2 286	0	2 286	0	2 286
8		Marge bénéficiaire brute	386 621	(250)	2 202	(4 168)	(2 131)	382 274	4 349	386 623	1 939	388 562
9		Dépenses										
10	7	Dépenses d'exploitation	104 353					104 353		104 353		104 353
11	8	Amortissement des immobilisations	55 419					55 419		55 419		55 419
12	9	Amortissement des frais reportés	29 142		986	(1 104)		29 024		29 024		29 024
13	10	Impôts fonciers et autres	29 459			(2 985)	(2 131)	24 343		24 343		24 343
14	11	Impôt sur le revenu	43 307	(92)	812	(29)	0	43 997	1 605	45 603	715	46 317
15		Total des dépenses	261 680	(92)	1 798	(4 118)	(2 131)	257 136	1 605	258 742	715	259 456
16		Revenu net d'exploitation	124 941	(158)	404	(50)	0	125 138	2 744	127 881	1 224	129 106
17	12	Base de tarification moyenne	1 401 593	(1 729)	4 435	(552)	0	1 403 747	0	1 403 747		1 403 747
18		Taux de rendement sur la base de tarification moyenne	8.91%					8.91%		9.11%		9.20%

Colonne (2) SCGM-2, document 8  
 Colonne (4) SCGM-10, document 1, page 3 de 4, ligne 23  
 Colonne (5) SCGM-10, document 1, page 4 de 4, ligne 11  
 Colonne (9) SCGM-15, document 1  
 Colonne (10) SCGM-2, document 5

Etat du revenu d'exploitation pro-forma  
Période de 12 mois se terminant le 30 septembre 1999  
( 000 '\$ )

**Avec tarif de compression**

No de Ligne	Section de ref.	Description	Résultats Pro-forma SCGM-2 doc.2 page 1 de 3 Col(10) (10)	Encadrement Réglementaire SCGM-2 doc.2 page 1 de 3 Col(9) (11)	Sous-Total (12)	Modification taux de rendement (13)	Impact des décisions d'autorités compétentes SCGM-2 doc.8.2 (14)	Amortissement du nivellement gaz de compression SCGM-18 doc.7 page 5 (15)	Impact des opérations courantes (16)	Sous-Total (17)	Encadrement réglementaire (18)	Résultats pro-forma révisés (19)
1	4	Ventes de gaz avant rabais	1 184 379		1 184 379				104 414	1 288 793		1 288 793
2	3	Rabais à la consommation	(20 479)		(20 479)					(20 479)		(20 479)
3		Revenu additionnel requis	<u>12 028</u>	(1 939)	<u>10 089</u>	(1 558)	(2 241)	(1 250)	<u>2 910</u>	<u>7 950</u>	<u>837</u>	<u>8 787</u>
4		Ventes après rabais	1 175 928	(1 939)	1 173 989	(1 558)	(2 241)	(1 250)	107 324	1 276 264	837	1 277 101
5	5	Coût de transport, d'entreposage et de marchandise	<u>789 652</u>	0	<u>789 652</u>	0	(2 172)	(1 166)	<u>106 183</u>	<u>892 497</u>		<u>892 497</u>
6			386 276	(1 939)	384 337	(1 558)	(69)	(84)	1 141	383 767	837	384 604
7	2	Autres revenus d'exploitation	<u>2 286</u>	0	<u>2 286</u>	0	0	0	0	<u>2 286</u>		<u>2 286</u>
8		Marge bénéficiaire brute	388 562	(1 939)	386 623	(1 558)	(69)	(84)	1 141	386 053	837	386 890
9		<b>Dépenses</b>										
10	7	Dépenses d'exploitation	104 353		104 353					104 353		104 353
11	8	Amortissement des immobilisations	55 419		55 419					55 419		55 419
12	9	Amortissement des frais reportés	29 024		29 024					29 024		29 024
13	10	Impôts fonciers et autres	24 343		24 343					24 343		24 343
14	11	Impôt sur le revenu	<u>46 317</u>	(715)	<u>45 602</u>	(575)	(25)	(31)	<u>421</u>	<u>45 392</u>	<u>309</u>	<u>45 701</u>
15		Total des dépenses	<u>259 456</u>	(715)	<u>258 741</u>	(575)	(25)	(31)	<u>421</u>	<u>258 531</u>	<u>309</u>	<u>258 840</u>
16		Revenu net d'exploitation	<u>129 106</u>	(1 224)	<u>127 882</u>	(983)	(44)	(53)	<u>720</u>	<u>127 523</u>	<u>528</u>	<u>128 051</u>
17	12	Base de tarification moyenne	<u>1 403 747</u>		1 403 747		(482)	(584)	7 967	1 410 649		
18		Taux de rendement sur la base de tarification moyenne	9.20%		9.11%					9.04%		

**Etat du revenu d'exploitation pro-forma**  
**Période de 12 mois se terminant le 30 septembre 1999**  
 ( 000 \$)

**Sans tarif de compression**

No de Ligne	Section de ref.	Description	Résultats Pro-forma SCGM-2 doc 2 page 1 de 3 Col(10)	Encadrement Réglementaire SCGM-2 doc 2 page 1 de 3 Col(9)	Sous-Total	Modification taux de rendement	Impact des décisions d'autorités compétentes SCGM-2 doc 8 2	Prix du gaz de compression SCGM-18 doc 7 page 4	Impact des opérations courantes	Sous-Total	Encadrement réglementaire	Résultats pro-forma révisés
			(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
1	4	Ventes de gaz avant rabais	1 184 379		1 184 379				104 414	1 288 793		1 288 793
2	3	Rabais à la consommation	(20 479)		(20 479)					(20 479)		(20 479)
3		Revenu additionnel requis	12 028	(1 939)	10 089	(1 558)	(2 241)	6 889	2 910	16 089	0	16 089
4		Ventes après rabais	1 175 928	(1 939)	1 173 989	(1 558)	(2 241)	6 889	107 324	1 284 403	0	1 284 403
5	5	Coût de transport, d'entreposage et de marchandise	789 652	0	789 652	0	(2 172)	6 889	106 183	900 552		900 552
6			386 276	(1 939)	384 337	(1 558)	(69)	0	1 141	383 851	0	383 851
7	2	Autres revenus d'exploitation	2 286	0	2 286	0	0	0	0	2 286		2 286
8		Marge bénéficiaire brute	388 562	(1 939)	386 623	(1 558)	(69)	0	1 141	388 137	0	386 137
9		Dépenses										
10	7	Dépenses d'exploitation	104 353		104 353					104 353		104 353
11	8	Amortissement des immobilisations	55 419		55 419					55 419		55 419
12	9	Amortissement des frais reportés	29 024		29 024					29 024		29 024
13	10	Impôts fonciers et autres	24 343		24 343					24 343		24 343
14	11	Impôt sur le revenu	46 317	(715)	45 602	(575)	(25)	0	421	45 423	0	45 423
15		Total des dépenses	259 456	(715)	258 741	(575)	(25)	0	421	258 582	0	258 582
16		Revenu net d'exploitation	129 106	(1 224)	127 882	(983)	(44)	0	720	127 575	0	127 575
17	12	Base de tarification moyenne	1 403 747		1 403 747		(482)		7 967	1 411 232		
18		Taux de rendement sur la base de tarification moyenne	9.20%		9.11%					9.04%		

## SOCIETE EN COMMANDITE GAZ METROPOLITAIN

REVENU DE TRANSPORT ET DE DISTRIBUTION  
REQUIS POUR L'ANNEE FINANCIERE 1999

( 000 \$ )

No de ligne	Description	Original	Revisé
1	Ventes de gaz avant rabais (SCGM-2, doc.2 , col.10 , ligne 1 )	1,184,379	
2	Ventes de gaz avant rabais (SCGM-2, doc.2 , col.19 , ligne 1 )		1,288,793
3			
4	Revenu des ventes hors franchise (SCGM-4 Doc.1 col.3 ligne 32)	0	0
5			
6	Revenus des ventes dans la franchise	1,184,379	1,288,793
7			
8	Marchandise (SCGM-4 , doc.1 , col.3 , ligne 44 )	(486,860)	
9	Marchandise (SCGM-4 , doc.1 , col.8 , ligne 44 )		(597,100)
10			
11	<b>Revenu de transport et distribution de base</b>	<b><u>697,519</u></b>	<b><u>691,693</u></b>
12			
13			
14	Revenus additionnels requis (SCGM-2 , doc. 2 , col.8 , ligne 3 )	10,089	
15	Revenus additionnels requis (SCGM-2 , doc. 2 , col.17 , ligne 3 )		7,950
16			
17	<b>Revenu de transport et distribution requis</b>	<b>707,608</b>	<b>699,643</b>
18			
19	Encadrement réglementaire (SCGM-2 , doc. 2 , col.9 , ligne 3 )	1,939	
20	Encadrement réglementaire (SCGM-2 , doc. 2 , col.18 , ligne 3 )		837
21			
22	<b>Revenu de transport et distribution requis pour l'établissement des tarifs</b>	<b>709,547</b>	<b>700,480</b>
23			
24			
25	Marchandise	486,860	597,100
26			
27			
28	<b>Vente de gaz avant rabais et incluant les revenus additionnels requis</b>	<b><u>1,196,407</u></b>	<b><u>1,297,580</u></b>

Evolution du revenu net d'exploitation  
Période de 12 mois se terminant le 30 septembre 1999  
(000\$)

No de Ligne	Description	Budget 1998 (D-97-34)	Réel 5/7'98	Budget 1999	Réel 5/7'98 Vs Budget 98	Budget 99 Vs Réel 5/7'98
1	Franchise					
1.1	VOLUMES (MMMpc)	<u>218.8</u>	<u>221.4</u>	<u>224.9</u>	<u>2.6</u>	<u>3.5</u>
1.2	VOLUMES (10 3 M 3)	<u>6 199.3</u>	<u>6 271.8</u>	<u>6 372.7</u>	<u>72.5</u>	<u>100.9</u>
2	Hors franchise					
2.1	VOLUMES (MMMpc)	<u>0.3</u>	<u>0.0</u>	<u>0.0</u>	<u>(0.3)</u>	<u>(0.0)</u>
2.2	VOLUMES (10 3 M 3)	<u>8.5</u>	<u>0.1</u>	<u>0.0</u>	<u>(8.4)</u>	<u>(0.1)</u>
	<b>REVENUS</b>					
3	Ventes de gaz avant rabais	1 090 614	1 128 892	1 194 468	38 278	65 576
4	Rabais à la consommation	<u>(24 908)</u>	<u>(22 950)</u>	<u>(20 479)</u>	<u>1 958</u>	<u>2 471</u>
5	Ventes après rabais	1 065 706	1 105 942	1 173 989	40 236	68 047
6	<b>COUT DE TRANSPORT, D'ENTREPOSAGE ET DE MARCHANDISE</b>	<u>687 439</u>	<u>720 892</u>	<u>789 652</u>	<u>33 453</u>	<u>68 760</u>
7	Bénéfice brut sur ventes de gaz	378 267	385 050	384 337	6 783	(713)
8	AUTRES REVENUS D'EXPLOITATION	<u>2 331</u>	<u>2 352</u>	<u>2 286</u>	<u>21</u>	<u>(66)</u>
9	<b>MARGE BENEFICIAIRE BRUTE</b>	380 598	387 402	386 623	6 804	(779)
10	<b>DEPENSES</b>					
11	Dépenses d'exploitation	99 997	100 300	104 353	303	4 053
12	Amortissement des immobilisations	51 289	51 530	55 419	241	3 889
13	Amortissement des frais reportés	28 314	27 614	29 024	(700)	1 410
14	Impôts fonciers et autres	29 411	29 334	24 343	(77)	(4 991)
15	Impôt sur le revenu	<u>46 834</u>	<u>46 439</u>	<u>45 603</u>	<u>(395)</u>	<u>(836)</u>
16	Total des dépenses	<u>255 845</u>	<u>255 217</u>	<u>258 742</u>	<u>(628)</u>	<u>3 525</u>
17	Revenu net d'exploitation	<u>124 753</u>	<u>132 185</u>	<u>127 881</u>	<u>7 432</u>	<u>(4 304)</u>
18	Trop perçu	<u>0</u>	<u>(5 847)</u>	<u>0</u>	<u>(5 847)</u>	<u>5 847</u>
19	Revenu net d'exploitation permmissible	<u>124 753</u>	<u>126 338</u>	<u>127 881</u>	<u>1 585</u>	<u>1 543</u>

**Voir mise à jour SCGM-2, document 5.1**

Evolution du revenu net d'exploitation  
Période de 12 mois se terminant le 30 septembre 1999  
(000'\$)

No de Ligne	Description	Budget 1998 (D-97-34)	Réel 11/1 '98	Mise à jour Budget 1999	Réel 11/1'98 Vs Budget 98	Mise à jour Budget 99 Vs Réel 11/1 '98
1	Franchise					
1.1	VOLUMES (MMMpc)	218.8	217.3	218.8	(1.5)	1.5
1.2	VOLUMES (10 3 M 3)	6 199.3	6 155.6	6 199.7	(43.7)	44.1
2	Hors franchise					
2.1	VOLUMES (MMMpc)	0.3	0.0	0.0	(0.3)	0.0
2.2	VOLUMES (10 3 M 3)	8.5	0.0	0.0	(8.5)	0.0
	<b>REVENUS</b>					
3	Ventes de gaz avant rabais	1 090 614	1 145 550	1 297 580	54 936	152 030
4	Rabais à la consommation	(24 908)	(23 728)	(20 479)	1 180	3 249
5	Ventes après rabais	1 065 706	1 121 822	1 277 101	56 116	155 279
6	<b>COÛT DE TRANSPORT, D'ENTREPOSAGE ET DE MARCHANDISE</b>	<b>687 439</b>	<b>735 392</b>	<b>892 497</b>	<b>47 953</b>	<b>157 105</b>
7	Bénéfice brut sur ventes de gaz	378 267	386 430	384 604	8 163	(1 826)
8	<b>AUTRES REVENUS D'EXPLOITATION</b>	<b>2 331</b>	<b>2 436</b>	<b>2 286</b>	<b>105</b>	<b>(150)</b>
9	<b>MARGE BENEFICIAIRE BRUTE</b>	<b>380 598</b>	<b>388 866</b>	<b>386 890</b>	<b>8 268</b>	<b>(1 976)</b>
10	<b>DEPENSES</b>					
11	Dépenses d'exploitation	99 997	100 300	104 353	303	4 053
12	Amortissement des immobilisations	51 289	51 416	55 419	127	4 003
13	Amortissement des frais reportés	28 314	27 330	29 024	(984)	1 694
14	Impôts fonciers et autres	29 411	29 424	24 343	13	(5 081)
15	Impôt sur le revenu	46 834	47 867	45 701	1 033	(2 166)
16	Total des dépenses	255 845	256 337	258 840	492	2 503
17	Revenu net d'exploitation	124 753	132 529	128 051	7 776	(4 478)
18	Trop perçu	0	(6 008)	0	(6 008)	6 008
19	Revenu net d'exploitation permmissible	124 753	126 521	128 051	1 768	1 530

**ÉVOLUTION DES BESOINS GLOBAUX  
COMPARAISON AVEC LE BUDGET 1998 ET AVEC LA PRÉVISION 5/7 1998  
12 mois au 30 septembre 1999  
(millions \$)**

	Volume MMMpc <u>(1)</u>	Montant <u>(2)</u>	(Augmentation) Réduction tarifaire <u>(3)</u>
1 <b>REVENU NET D'EXPLOITATION:</b>			
2			
3 Variation de la base de tarification			(3,1)
4 et du taux de rendement			
5			
6 <b>HAUSSE TARIFAIRE APRÈS IMPÔT</b>			<u>(6,4)</u>
7			
8 Impôt sur la hausse tarifaire			<u>(3,7)</u>
9			
10 <b>HAUSSE TARIFAIRE AVANT IMPÔT, ET</b>			
11 <b>LA QUOTE-PART DU DISTRIBUTEUR</b>			
12 <b>DE LA CONTRIBUTION À LA BAISSÉ DES TARIFS</b>			<u>(10,1)</u>
13			
14 <b>QUOTE-PART DU DISTRIBUTEUR DE LA</b>			
15 <b>CONTRIBUTION À LA BAISSÉ DES TARIFS</b>			
16			
17 Hausse tarifaire après impôt			(1,2)
18 Impôt sur la hausse tarifaire			<u>(0,7)</u>
19 Hausse tarifaire avant impôt			<u>(1,9)</u>
20			
21 <b>HAUSSE TARIFAIRE APRÈS LA QUOTE-PART</b>			
22 <b>DU DISTRIBUTEUR DE LA CONTRIBUTION À LA</b>			
23 <b>BAISSÉ DES TARIFS</b>			<u>(12,0)</u>

**MISE À JOUR**

24 Quote-part du distributeur de la contribution			
25 à la baisse des tarifs (ligne 19)			1,9
25 Modification taux de rendement			1,6
26 Impact des décisions d'autorités comptépendes			2,2
27 Amortissement du nivellement gaz de compression			1,2
28 Impact des opérations courantes			(2,9)
29			
30 <b>HAUSSE TARIFAIRE</b>			(8,0)
31			
32 Quote-part du distributeur de la contribution			
33 à la baisse des tarifs (ligne 19)			<u>(0,8)</u>
34			
35 <b>HAUSSE TARIFAIRE REVISÉE</b>			<u>(8,8)</u>

Original: 1998.05.01

Révisé : 1998.10.13

## Incidence des changements tarifaires pour l'exercice se terminant le 30 septembre 1999

Ligne no	Ordonnances	Périodes	\$
1	SCGM 2, doc 8.1	1 janvier 1998 au	17,000
2		30 septembre 1998	
3			
4	AO-2-TG1-4-97	1 septembre 1998 au	
5		30 septembre 1998	134,000
6			
7			
8	EBRO-494-06A	1 janvier 1998 au	
9		30 septembre 1998	(52,000)
13			
14	AO-1-TG-7-96	Great Lakes	(1,062,000)
15		Remboursement supplémentaire	
16			
17			(963,000)
18			
19			
20	AO-2-TG1-4-97	30 septembre 1998	
21		31 décembre 1998	(1,020,000)
22			
23			
24	EBRO-494-06A	1 octobre 1998 au	(189,000)
25		31 septembre 1999	
26			
27			(1,209,000)
28			
29			
30			(2,172,000)
31			
32			
33			
34			
35	<u>Impact sur la base de tarification</u>		
36			
37		Valeur inscrite	Base
38		dans la base	Moyenne
39			
40		TCPL	151,000
41		Union	(52,000)
42		Great Lakes	(1,062,000)
43			(531,000)
44			(481,500)
45			
46		Taux de rendement sur la base	
47		de tarification moyenne	9.04%
48			(43,528)
49			
50		Gross-up impôt	0.631
51			
52		Impact sur la base de tarificati	(68,982)
53			(68,982)
54			
55			(2,240,982)
56			

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**National Energy Board****Office national de l'énergie**

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**ORDER AO-3-TGI-4-97**

IN THE MATTER OF the *National Energy Board Act* ("the Act") and the regulations made thereunder, and

IN THE MATTER OF an application dated 23 March 1998 and revised 18 August 1998 by TransCanada PipeLines Limited ("TransCanada") for certain orders respecting its tolls; filed with the National Energy Board ("the Board") under File No. 4200-T001-12.

BEFORE the Board on 25 September 1998.

WHEREAS TransCanada filed an application dated 23 March 1998 and revised 18 August 1998 for certain orders respecting its 1998 tolls;

AND WHEREAS the Board issued Order TGI-4-97 on 23 December 1998 approving TransCanada's request for interim tolls effective 1 January 1998;

AND WHEREAS the Board issued Order AO-1-TGI-4-97 on 31 March 1998 approving TransCanada's request for revised interim tolls effective 1 April 1998;

AND WHEREAS the Board issued Order AO-2-TGI-4-97 on 31 August 1998 approving TransCanada's request for revised interim tolls effective 1 September 1998;

AND WHEREAS the Board has completed its consideration of TransCanada's 1998 Toll Application as revised on 18 August 1998.

THEREFORE, IT IS ORDERED, pursuant to sections 59 and 60 of the Act, that:

- 1 TransCanada's interim tolls which were made effective under Toll Order AO-2-TGI-4-97 be approved as final tolls for the 1998 Test Year for the period 1 September 1998 to 31 December 1998;
- 2 TransCanada's Firm Transportation ("FT"), Firm Service Tendered ("FST") and Storage Transportation Service ("STS") tolls for 1998 shall remain interim subject to the disposition of all appeals relating to the Federal Energy Regulatory Commission ("FERC") orders or any successor actions resulting from the disposition of those actions including FERC decisions;
- 3 The deferral accounts contemplated under Section 20.4 of the Incentive Cost Recovery and Revenue Sharing Settlement shall continue throughout the 1998 Test Year;
- 4 A deferral account to record the costs associated with implementing the merger between TransCanada and NOVA Corporation is approved;

.../2

Canada

- 2 -

- 5 A deferral account to record any unforeseen costs that may arise as a result of implementing the Gas Industry Standards Board ("GISB") recommendation is approved; and
- 6 The deferral account established by the Board in its letter dated 22 September 1998 to record any reimbursements of the Board's relocation costs shall remain in effect until directed otherwise by the Board.

NATIONAL ENERGY BOARD

*Original signed by Mary Lou Scharf*

*for Michel L. Mantha*  
Secretary

AO-3-TGI-4-97

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National Energy Board

Office national de l'énergie

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ORDER AO-2-TGI-4-97

IN THE MATTER OF the *National Energy Board Act* ("the Act") and the regulations made thereunder; and

IN THE MATTER OF an application dated 18 August 1998 by TransCanada PipeLines Limited ("TransCanada") for an Order pursuant to Part IV of the Act finalizing the interim tolls for transportation services for the periods 1 January 1998 to 31 March 1998 and 1 April 1998 to 31 August 1998 and effective 1 September 1998, an Order approving the Applicant's proposed tolls on an interim basis until a final Order can be made.

BEFORE the Board on 31 August 1998.

WHEREAS TransCanada filed an application dated 16 December 1997 for an Order, fixing the tolls it may charge, on an interim basis, for or in respect of transportation services rendered effective 1 January 1998;

AND WHEREAS the Board, following its consideration of this matter, issued Order TGI-4-97 on 23 December 1998 approving TransCanada's request;

AND WHEREAS TransCanada further requested that the interim tolls for 1998 in effect under Order TGI-4-97 be terminated, effective the end of the day on 31 March 1998, and that revised interim tolls be implemented, effective 1 April 1998, until such time as the Board has released its final decision for 1998 tolls;

AND WHEREAS the Board, following its consideration of this matter, issued Order AO-1-TGI-4-97 on 31 March 1998 approving TransCanada's request;

AND WHEREAS TransCanada has now requested an Order to terminate the interim tolls for transportation services for the periods 1 January 1998 to 31 March 1998 and 1 April 1998 to 31 August 1998 and approving, effective 1 September 1998, the Applicant's revised interim tolls, as amended by the attachment to TransCanada's letter dated 28 August 1998, on an interim basis until a final Order can be made;

AND WHEREAS the Board has completed its consideration of this request.

**Société en commandite Gaz Métropolitain**  
**Évaluation de l'impact de la réduction des tarifs de TCPL du 1er septembre 1998**  
**Décrété par ONE dans son ordonnance AO-2 TGI-4-97 en vigueur le 1er septembre 1998**  
**Impact de la baisse tarifaire pour la période du 1er octobre 1998**  
**au 31 décembre 1998**

No de Ligne	Description	Prix -- \$/10 <sup>3</sup> M <sup>3</sup>			10 <sup>3</sup> M <sup>3</sup> (4)	,000\$ (5)
		1er sep 98 (1)	1er avr 98 (1)	Écart (3)		
1	<b>Prime fixes FS:</b>					
2	Empress / zone est	970.65	984.29	(13.64)	49427	(\$674)
3	Empress / zone nord	797.47	807.08	(9.61)	987	(\$9)
4				(13.56)	50414	(\$684)
5	<b>Transport FS:</b>					
6	Empress / zone est	1.668	1.671	(0.003)	1515425	(\$5)
7	Empress / zone nord	1.351	1.351	0.000	30268	\$0
8				(0.003)	1545693	(\$5)
9	Achats/Ventes de l'est	33.580	34.031	(0.451)	0	\$0
10	Transport gaz du volet 2	0.000	0.000	0.000	57564	\$0
11	Transport gaz d'été	0.000	0.000	0.000	0	\$0
12	Service de livraison	0.000	0.000	0.000	7084	\$0
13				(0.427)	1610341	(\$688)
14	<b>Inventaire:</b>					
15	- Au début	33.580	34.031	(0.451)	647625	(\$292)
16	- À la fin	34.031	34.031	(0.000)	409584	\$0
17	Variation de l'inventaire				238041	(\$292)
18	Gaz utilisé par la société	33.580	34.031	(0.451)	9428	\$4
19				(0.531)	1838954	(\$976)
20	<b>STS (Parkway/Mtl):</b>					
21	Frais variables	0.360	0.360	0.000	1256825	\$0
22	Prime fixes	228.000	230.600	(2.600)	16044	(\$38)
23	Overrun	7.856	7.941	(0.085)	24192	(\$2)
24						(\$40)
25	<b>STFT (Wadd./Mtl):</b>					
26	Frais variables	0.000	0.000	0.000	0	\$0
27	Prime fixes	0.000	0.000	0.000	0	\$0
28						\$0
29	<b>WFS (Parkway / Mtl)</b>	0.000	0.000	0.000	0	\$0
30	<b>Fuel utilisé pour:</b>					
31	Injection du GES	33.580	33.580	0.000	0	\$0
32	Retraits et transport du GES	33.580	34.031	(0.451)	2512	(\$1)
33	Transport du STS	33.580	34.031	(0.451)	5192	(\$2)
34						(\$3)
35				(0.554)	1838954	(\$1,020)
36	Gaz perdu				11954	\$0
37	Gaz vendu			(0.558)	1827000	(\$1,020)

**Société en commandite Gaz Métropolitain**  
**Évaluation de l'impact de la réduction des tarifs de TCPL du 1er septembre 1998**  
**Décrété par ONE dans son ordonnance AO-2 TGI-4-97 en vigueur le 1er septembre 1998**  
**Impact de la baisse tarifaire pour la période du 1er septembre 1998**  
**au 30 septembre 1998**

No de Ligne	Description	Prix -- \$/10 <sup>3</sup> M <sup>3</sup>			10 <sup>3</sup> M <sup>3</sup>	,000\$
		1er sept. 98 (1)	1er avr. 98 (1)	Écart (3)		
1	<u>Prime fixes FS:</u>					
2	Empress / zone est	970.65	984.29	(13.64)	15,839	(\$216)
3	Empress / zone nord	<u>797.47</u>	<u>807.08</u>	(9.61)	329	(\$3)
4				(13.56)	16,168	(\$219)
5	<u>Transport FS:</u>					
6	Empress / zone est	1.668	1.671	(0.003)	475,170	(\$1)
7	Empress / zone nord	<u>1.351</u>	<u>1.351</u>	0.000	9,870	\$0
8				(0.003)	485,040	(\$1)
9	Achats/Ventes de l'est	33.580	34.031	(0.451)	0	\$0
10	Transport gaz du volet 2	0.000	0.000	0.000	0	\$0
11	Transport gaz d'été	0.000	0.000	0.000	61,599	\$0
12	Service de livraison	0.000	0.000	0.000	2,310	\$0
13				(0.402)	548,949	(\$221)
14	<u>Inventaire:</u>					
15	- Au début	34.031	34.031	0.000	619,352	\$0
16	- À la fin	<u>33.580</u>	<u>34.031</u>	(0.451)	(784,954)	\$354
17	Variation de l'inventaire				(165,602)	\$354
18	Gaz utilisé par la société	<u>33.580</u>	<u>34.031</u>	(0.451)	(1,009)	\$0
19				0.351	382,338	\$134
20	<u>STS (Parkway/Mtl):</u>					
21	Frais variables	0.360	0.360	0.000	0	\$0
22	Prime fixes	228.000	230.600	(2.600)	0	\$0
23	Overrun	7.856	7.941	(0.085)	0	\$0
24						\$0
25	<u>STFT (Wadd./Mtl):</u>					
26	Frais variables	0.000	0.000	0.000	0	\$0
27	Prime fixes	0.000	0.000	0.000	0	\$0
28						\$0
29	<u>WFS (Parkway / Mtl)</u>	0.000	0.000	0.000	0	\$0
30	<u>Fuel utilisé pour:</u>					
31	Injection du GES	33.580	33.580	0.000	97	\$0
32	Retraits et transport du GES	33.580	34.031	(0.451)	529	(\$0)
33	Transport du STS	33.580	34.031	(0.451)	0	\$0
34						(\$0)
35				0.350	382,338	\$134
36	Gaz perdu				2,562	\$0
37	Gaz vendu			<u>0.353</u>	<u>379,776</u>	<u>\$134</u>



Ontario Commission  
Energy de l'Énergie  
Board de l'Ontario

E.B.R.O. 494-06A

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## ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, R.S.O.  
1990, c. O.13;

AND IN THE MATTER OF an Notice of Motion by Union Gas  
Limited for an order or orders approving or fixing just and  
reasonable rates and other charges for the sale, distribution,  
transmission and storage of gas as of October 1, 1997;

### FINAL RATE ORDER

Union Gas Limited ("Union") filed with the Ontario Energy Board ("the Board") a Notice of Motion ("the Motion") dated September 4, 1997, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas commencing October 1, 1997. The Motion requested Board approval of changes in rates, buy/sell reference prices, and the reference price for the Purchase Gas Variance Account (PGVA) to reflect a forecast increase in Union's gas costs. The Motion also requested that the Board make provisions for the hearing of the Motion through the same or a similar process as the Centra Gas Ontario Inc. ("Centra") Quarterly Rate Adjustment Mechanism.

Union's Motion was given Board File No. E.B.R.O. 494-06. The Board determined it would hear the Motion in conjunction with an Application from Centra under Board File No. E.B.R.O. 493-04 (collectively "E.B.R.O. 493-04/494-06").

By letter dated September 4, 1997, Union requested that the Board not act on the Application since Union's gas cost deferral accounts were forecast to show sufficient credits to support withholding any change.

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On October 7, 1997 the Board issued an Interim Decision accepting that the evidence on forecast PGVA balances supported Union's position that there was no immediate need to change gas costs or rates effective October 1, 1997.

On October 31, 1997, Union filed a Notice of Motion requesting approval of adjustments to rates effective January 1, 1998 to reflect updated gas cost and transportation toll forecasts. Union also sought approval of certain changes to delivery rates and approval of the disposition of the December 31, 1997 forecast balances in its PGVA and its Delivery Commitment Credit deferral accounts.

On November 24, 1997, the Industrial Gas Users Association ("IGUA") filed a letter with the Board requesting certain information to permit the application of the formula based return on equity mechanism approved by the Board in E.B.R.O. 495 to Union's 1998 fiscal year.

On December 4, 1997, Union filed updated evidence in support of the Notice of Motion which reflected revised gas cost forecasts for the period of January 1, 1998 through December 31, 1998. The evidence also provided updated PGVA and Delivery Commitment Credit deferral account balances.

On December 8, 1997, Union filed a response to IGUA's November 24, 1997 letter setting out the requested information.

On December 9, 1997 the Board issued its Oral Decision approving Union's cost of gas adjustments, subject to a review of the customer notices.

On December 15, 1997 the Board, having received no comment on the customer notices, confirmed its Oral Decision of December 9, 1997.

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THEREFORE, IT IS ORDERED, pursuant to sections 59, 60 and 65 of the Act, that:

1. TransCanada's interim tolls which were made effective under Toll Order AO-1-TGI-4-97 be terminated as of the end of the day on 31 August 1998 and TransCanada's proposed revised interim tolls, as amended by the attachment to TransCanada's letter dated 28 August 1998, be made effective 1 September 1998.

NATIONAL ENERGY BOARD

*Original signed by Michel L. Mantha*

Michel L. Mantha  
Secretary

AO-2-TGI-4-97

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On February 10, 1998, the Board issued its E.B.R.O. 493-04/494-06 Decision with Reasons.

The Board found that:

- a) the transparency of the process and the sufficiency of the evidence filed in support the gas cost changes supports the appropriateness for Union to adopt the Quarterly Rate Adjustment Mechanism as used by Centra
- b) the return on common equity for Union's 1998 fiscal year is to be adjusted from 11.00 per cent to 10.44 per cent, with a resulting cost of service reduction of approximately \$7.7 million;
- c) the actual December 31, 1997 balances in the Purchase Gas Variation Account ("PGVA") (Account No. 179-24) and the T-Service Revenue and Payments Deferral Account (Account No. 179-30) should be disposed of using actual consumption volumes for the January 1, 1997 to December 31, 1997 and including a credit to new or renewed buy/sell customers subsequent to June 1, 1997 and a customer specific recovery from direct purchase customers who were out of balance by an amount in excess of the allowed contract tolerance at contract year end;
- d) the proposal to extend the payment of the DCC to buy/sell customers and the change to allocate the DCC/ODP costs based on peak demand and storage space is approved; and
- e) the proposal to categorize gas costs in excess of a forecast cost of gas underpinned entirely by firm TCPL service as load balancing and flexibility supply costs and to recover these costs through the delivery component of rates is approved.

On March 10, the Board issued a letter to all parties indicating that for a number of administrative reasons the implementation of the rate order would be delayed to May 1, 1998.

**THE BOARD ORDERS THAT:**

1. the rate changes set out in Appendix "A" and the rate schedules set out in Appendix "B" are approved effective January 1, 1998. The rates pursuant to all contracts for interruptible service under rates M5A, M7 and T1 shall be adjusted effective January 1, 1998 by the amounts set out in Appendix "C". Union shall implement these rates on the first billing cycle after May 1, 1998.
2. the forms of customer notice set out in Appendix "D" are approved and the appropriate form of notice shall be given to all customers with the first bill or invoice reflecting the new rate.
3. the prices payable by Union for gas purchases under buy/sell contracts with its customers and the delivery commitment credit payable to in-franchise transportation customers for obligated deliveries are approved by the Board in accordance with Appendix "E".
4. the 1997 year end deferral account actual balances as set out in Appendix "F", totalling a debit of \$23,649,000, shall be disposed of to customers and in accordance with the formula in Appendix "G".
5. Union shall bill customers a one-time charge to reflect the result of the deferral account disposition in paragraph (4), and in addition, shall credit or charge customers to reflect the 1998 rate changes for the period January 1, 1998 to April 30, 1998. If the amount of the adjustment is greater than \$15, Union shall spread this adjustment through two equal monthly installments in May and June, 1998.
6. Union shall comply with the Board directives in Appendix "H".

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7. Union shall maintain Deferral Account No. 179-24 (Purchased Gas Variation Account) in accordance with Appendix "I".
8. Union is granted approval to close Deferral Account No. 179-30 (T-Service Revenue and Payments) subsequent to the disposition of the year-end balances as referred to in paragraph 4.
9. Union shall establish a new Deferral Account No. 179-60 (Direct Purchase Revenue and Payments) commencing January 1, 1998 to record the costs associated with the payment of the delivery commitment credit to buy/sell and t-service customers, in accordance with Appendix "J".
10. Union shall pay 90 per cent of Intervenors' reasonably incurred costs as authorized in the E.B.R.O. 493-04/494-06 Decision with Reasons forthwith upon receipt of the Board's Cost Orders.
11. Union shall pay 90 percent of the Board's costs of, and incidental to, this proceeding immediately upon receipt of the Board's invoice.

DATED at Toronto, April 23, 1998.

ONTARIO ENERGY BOARD

  
Peter H. O'Dell  
Assistant Board Secretary



uniongas

## AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

Rate C1 Customers

May, 1998

Dear Customer:

Following a public hearing, the Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges for natural gas service provided under **Rate C1**. The changes reflect a reduction in the overall cost of providing service.

### Adjustments

The only rate-related adjustment to your invoice reflects the lower overall cost of providing services compared to the rates you paid between January 1, 1998 and April 30, 1998.

### What does this mean to you?

The impact of these rate changes is dependent upon the services you are taking under Rate C1. Please refer to the attached rate schedule, which was used to calculate your enclosed invoice effective January 1, 1998.

### Further information?

If you have any questions about the rate changes please call your account representative who is always happy to answer your questions. We appreciate and thank you for your business.

Sincerely,  
Union Gas

A handwritten signature in black ink, appearing to read "Jim Bracken".

Jim Bracken  
Vice President, Marketing,  
Storage and Transportation



SHORT-TERM STORAGE AND CROSS FRANCHISE TRANSPORTATION RATES

(A) Applicability

To a customer who enters into a Transportation or Storage Contract with Union for delivery by customer of customer-owned gas to Union at one of Union's delivery points listed below for redelivery by Union to customer at one of Union's redelivery points or to storage. Gas transported or stored under this rate shall not be delivered or sold within the franchise area of Union Gas Limited.

Delivery and Redelivery Points

- Ojibway
- St. Clair
- Dawn
- Oakville
- Kirkwall
- Bluewater

(B) Services

Storage Service under this rate schedule is:

- i) a combined space and deliverability service for storage utilizing Union's facilities that must be combined with other services to effect gas to a point out of Union's franchise area, OR
- ii) short-term firm deliverability, OR
- iii) a component of a balancing service offered at Union's pipeline inter-connects.

Transportation Service under this rate schedule is transportation on Union's' pipeline facilities between any Delivery and Redelivery Point as specified in Section (A).

(C) Rates

Storage Service:

	<u>Demand Charge applied to daily contract demand Rate/10<sup>3</sup>m<sup>3</sup>/month</u>	<u>Commodity Charge for both gas injected and withdrawn from storage Rate/10<sup>3</sup>m<sup>3</sup></u>
a) Combined Storage Space and Interruptible Deliverability		
Minimum		\$ 0.719
Maximum		\$44.595
b) Firm Deliverability attached to storage space in a):		
Minimum		\$ 1.059
Maximum		\$ 10.600
c) Short-Term Firm Deliverability		
Minimum	\$ 28.047	
Maximum	\$134.624	

Notes:

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

1. The minimum amount of storage service to which a customer is willing to commit,
2. Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
3. Utilization of facilities, and
4. Competition.



(C) Rates (Cont'd)

Transportation Service:

The following rates shall be charged for all volumes transported or deemed to be transported.

	Demand Charge applied to daily contract demand Rate/10 <sup>3</sup> m <sup>3</sup> /month	Commodity Charge for all gas handled or deemed to be handled Rate/10 <sup>3</sup> m <sup>3</sup>
a) Firm Transportation Demand:		
Between:		
St. Clair & Dawn	\$ 35.685	
Ojibway & Dawn	\$ 35.685	
Bluewater & Dawn	\$ 35.685	
From:		
Oakville to Kirkwall	\$ 25.113	
Oakville to Dawn	\$ 25.113	
Dawn to Kirkwall with Dawn Compression	\$ 91.687	
Dawn to Oakville with Dawn Compression	\$109.208	
b) Short-Term (1 year or less) Firm Transportation Demand		
Minimum	\$ 17.842	
Maximum	\$ 262.099	
c) Firm Transportation Demand From Dawn to Kirkwall and Dawn to Oakville Without LCU Protection		
- Easterly Flow - Kirkwall		
Minimum	\$ 64.181	
Maximum	\$262.099	
- Easterly Flow - Parkway		
Minimum	\$ 76.446	
Maximum	\$262.099	
d) Firm Transportation Commodity:		
Between:		
St. Clair & Dawn		\$ 0.279
Ojibway & Dawn		\$ 1.046
Bluewater & Dawn		\$ 0.279
From:		
Oakville to Kirkwall		\$ 0.353
Oakville to Dawn		\$ 0.353
Dawn to Kirkwall		\$ 0.760
Dawn to Oakville		\$ 0.760
e) Interruptible Transportation Commodity:		
Minimum		\$ 0.707
Maximum		\$14.872
Dawn (Tecumseh) and Dawn (Facilities or TCPL)		\$ 0.265

Notes:

In negotiating the rate to be charged for the transportation of gas, the matters that are to be considered include:

- (1) The minimum transportation volumes to which a customer is willing to commit,
- (2) Utilization of facilities,
- (3) The direction of flow and time of year,
- (4) Competition, and
- (5) Term.

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

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

	<u>Firm Service Rate/10<sup>3</sup>m<sup>3</sup></u>	<u>Interruptible Service Rate/10<sup>3</sup>m<sup>3</sup></u>
<b>a) Storage</b>		
<b>Space</b>		
September to November	\$35.300	
December to August	\$3.530	
<b>Injection</b>		
Minimum	\$ 0.719	
Maximum	\$44.595	
<b>Withdrawal</b>		
Minimum	\$ 0.719	
Maximum	\$44.595	
<b>b) Transportation</b>		
<b>Firm</b>		
<b>Between:</b>		
St. Clair & Dawn	\$ 1.452	
Ojibway & Dawn	\$ 2.219	
Eluewater & Dawn	\$ 1.452	
<b>From:</b>		
Oakville to Kirkwall	\$ 1.179	
Oakville to Dawn	\$ 1.179	
Dawn to Kirkwall	\$ 3.774	
Dawn to Oakville	\$ 4.350	
<b>Interruptible</b>		
Minimum		\$ 0.707
Maximum		\$14.872
Dawn (Tecumseh) and Dawn (Facilities or TCPL)		\$ 0.265

Authorized overrun for short-term firm transportation and firm transportation without LCU protection is available at negotiated rates.

Unauthorized Overrun:

For all volumes on any Day in excess of Customer's contractual rights, for which authorization has not been received, Customer will be charged \$353 per 10<sup>3</sup>m<sup>3</sup>.

Overrun of Maximum Storage Balance

The rate payable shall be \$35.30/10<sup>3</sup>m<sup>3</sup> on the Excess Storage Balance during the period of September 1 through to and including November 30. The rate payable shall be \$3.53/10<sup>3</sup>m<sup>3</sup> on the Excess Storage Balance during the period of December 1 through to and including August 31.

For any Extension Period, the rate payable shall be \$2.118/10<sup>3</sup>m<sup>3</sup> times the volume 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 customer (to be followed in writing) take possession of customer's gas in storage (which shall be immediately forfeited to Union without further recourse).

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



uniongas

Effective  
1998-01-01  
Rate C1  
Page 4 of 4

Drafted Storage Balance

The rate payable shall be \$35.30/10<sup>3</sup>m<sup>3</sup> on the Drafted Storage Balance during the period of February 1 through to and including April 30.

The rate payable shall be \$3.53/10<sup>3</sup>m<sup>3</sup> on the Drafted Storage Balance during the period of May 1 through to and including January 31.

For any Extension Period, the rate payable shall be \$2.118/10<sup>3</sup>m<sup>3</sup> times the volume 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 customer (to be followed in writing), replace the outstanding gas at customer'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.

(D) Terms of Service

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

Nominations shall be in accordance with the attached Schedule "B".

Effective January 1, 1998  
O.E.B. ORDER # E.B.R.O. 494-06A Chatham, Ontario  
Supersedes E.B.R.O. 494 Rate Schedule effective January 1, 1997.



uniongas

## AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

Rate M12 Customers

May, 1998

Dear Customer:

Following a public hearing, the Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges for natural gas service provided under **Rate M12**. The changes reflect a reduction in the overall cost of providing service.

### Adjustments

The only rate-related adjustment to your invoice reflects the lower overall cost of providing services compared to the rates you paid between January 1, 1998 and April 30, 1998.

### What does this mean to you?

The impact of these rate changes is dependent upon the services you are taking under Rate M12. Please refer to the attached rate schedule, which was used to calculate your enclosed invoice effective January 1, 1998.

### Further information?

If you have any questions about the rate changes please call your account representative who is always happy to answer your questions. We appreciate and thank you for your business.

Sincerely,  
Union Gas

A handwritten signature in black ink, appearing to read 'Jim Bracken'.

Jim Bracken  
Vice President, Marketing,  
Storage and Transportation



STORAGE AND TRANSPORTATION RATES

(A) Applicability

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

(B) Services

Storage service under this rate schedule is for storage in Union's storage facilities and must be combined with transportation service to transport the gas out of Union's franchise area.

Transportation Service under this rate schedule is transportation on Union's Dawn - Oakville facilities.

(C) Rates

	Monthly Demand Charge Rate/10 <sup>3</sup> m <sup>3</sup> per month for daily contract demand	Commodity Charge Rate/10 <sup>3</sup> m <sup>3</sup> for all gas handled or deemed to be handled	For Customers Providing Their Own Compressor Fuel		Commodity Charge Rate/10 <sup>3</sup> m <sup>3</sup>
			Fuel Ratio		
			Apr-Oct	Nov-Mar	
<b>Storage</b>					
Space					
- Union Providing Deliverability Inventory (1)	\$0.533				
- Customer Providing Deliverability Inventory (1)	\$0.312				
<b>Deliverability</b>					
- Firm	\$42.070				
- Interruptible:					
Minimum	\$28.047				
Maximum	\$134.624				
Injection		\$0.679	0.4%	0.4%	\$0.217
Withdrawal		\$0.679	0.4%	0.4%	\$0.217
Dehydration (2)		\$0.160			\$0.160

Firm Transportation (3)

Without compression at Union's Dawn Compression Station ("Dawn")

- Easterly Flow

Dawn to Kirkwall	\$74.140	\$0.625	0.2%	0.6%	\$0.000
Dawn to Oakville	\$91.661	\$0.625	0.2%	0.6%	\$0.000

With Dawn Compression

- Easterly Flow

Dawn to Kirkwall	\$91.687	\$0.760	0.3%	0.7%	\$0.000
Dawn to Oakville	\$109.208	\$0.760	0.3%	0.7%	\$0.000
- Westerly Flow	n/a	\$0.353	0.3%	0.2%	\$0.000

Dawn Compression \$17.547

Oil Springs East Metering \$10.411

Dehydration (2)

- Tecumseh	\$2.441	\$0.160			\$0.160
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(C) Rates (cont'd)

	Monthly Demand Charge Rate/10 <sup>3</sup> m <sup>3</sup> per month for daily contract demand	Commodity Charge Rate/10 <sup>3</sup> m <sup>3</sup> for all gas handled or deemed to be handled	For Customers Providing Their Own Compressor Fuel		Commodity Charge Rate/10 <sup>3</sup> m <sup>3</sup>
			Fuel Ratio Apr-Oct	Fuel Ratio Nov-Mar	
<u>Limited Firm/Interruptible Transportation with Dawn Compression (3)</u>					
- Easterly Flow					
Minimum	\$54.604	\$0.760	0.3%	0.7%	\$0.000
Maximum	\$262.099	\$0.760	0.3%	0.7%	\$0.000
<u>Firm Transportation Demand From Dawn to Kirkwall and Dawn to Oakville Without LCU Protection</u>					
- Easterly Flow - Kirkwall					
Minimum	\$64.181	\$0.760	0.3%	0.7%	\$0.000
Maximum	\$262.099	\$0.760	0.3%	0.7%	\$0.000
- Easterly Flow - Parkway					
Minimum	\$76.446	\$0.760	0.3%	0.7%	\$0.000
Maximum	\$262.099	\$0.760	0.3%	0.7%	\$0.000

Authorized Overrun

Authorized overrun rates will be payable on all volumes 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.

Firm or Limited Firm/Interruptible or without LCU protection	Union Providing Fuel Commodity Charge Rate/10 <sup>3</sup> m <sup>3</sup>	For Customers Providing Their Own Compressor Fuel		Commodity Charge Rate/10 <sup>3</sup> m <sup>3</sup>
		Fuel Ratio Apr-Oct	Fuel Ratio Nov-Mar	
Storage Commodity:				
Injection	\$ 2.750	1.3%	1.3%	\$ 1.600
Withdrawal	\$ 3.587	2.1%	2.1%	\$ 1.600
Dehydration - Tecumseh	\$ 0.240			\$ 0.240
Others	\$ 0.160			\$ 0.160
Dawn Compression	\$ 0.577			\$ 0.577
Firm or Interruptible Transportation Commodity: (4)				
Without Dawn Compression - Easterly				
Dawn to Kirkwall	\$ 3.062	0.2%	0.6%	\$ 2.437
Dawn to Oakville	\$ 3.639	0.2%	0.6%	\$ 3.014
With Dawn Compression - Easterly				
Dawn to Kirkwall	\$ 3.774	0.3%	0.7%	\$ 3.014
Dawn to Oakville	\$ 4.350	0.3%	0.7%	\$ 3.590
Westerly	\$ 3.943	0.3%	0.2%	\$ 3.590



(C) Rates (cont'd)

Unauthorized Overrun (4)

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

\$353/10<sup>3</sup>m<sup>3</sup> 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 \$35.30/10<sup>3</sup>m<sup>3</sup> on the Excess Storage Balance during the period of September 1 through to and including November 30. The rate payable shall be \$3.53/10<sup>3</sup>m<sup>3</sup> on the Excess Storage Balance during the period of December 1 through to and including August 31.

For any Extension Period, the rate payable shall be \$2.118/10<sup>3</sup>m<sup>3</sup> times the volume 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 customer (to be followed in writing) take possession of customer's gas in storage (which shall be immediately forfeited to Union without further recourse).

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

Drafted Storage Balance

The rate payable shall be \$35.30/10<sup>3</sup>m<sup>3</sup> on the Drafted Storage Balance during the period of February 1 through to and including April 30.

The rate payable shall be \$3.53/10<sup>3</sup>m<sup>3</sup> on the Drafted Storage Balance during the period of May 1 through to and including January 31.

For any Extension Period, the rate payable shall be \$2.118/10<sup>3</sup>m<sup>3</sup> times the volume 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 customer (to be followed in writing), replace the outstanding gas at customer'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.

Notes:

- (1) Deliverability inventory being defined as 20% of storage space.
- (2) Dehydration commodity charges are applicable to all volumes withdrawn from storage on any day that the dehydrator unit is in operation.
- (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).

Transportation commodity charges or fuel volume do not apply to TCPL for volumes delivered directly by TCPL to Union, or to Union on behalf of Union's storage and transportation customers. Volumes delivered directly are defined as those volumes transported through TCPL's Northern Ontario pipeline systems.

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



(D) Transportation Commodity

The annual fuel charge in kind or in dollars for transportation service in any contract year shall be equal to the sum of the application of the following equation applied monthly for the 12 months April through March (The "YCRR" or "YCR" Formula). An appropriate adjustment in the fuel charges will be made in May for the previous 12 months ending March 31st to obtain the annual fuel charges as calculated using the applicable "YCRR" or "YCR" Formula.

$$YCR = \sum_1^7 [(0.002 \times (VT1 + VT2 + VT3)) + (DSF \times (VT1 + VT3)) + F_{ST}] \text{ For Apr. 1 to Oct. 31}$$

plus

$$\sum_8^{12} [(0.002 \times (VT1 + VT2)) + (DWF \times VT1) + F_{WT}] \text{ For Nov. 1 to Mar. 31}$$

$$YCRR = \sum_1^7 [(0.002 \times (VT1 + VT2 + VT3)) + (DSF \times (VT1 + VT3)) + F_{ST}] \times R \text{ For Apr. 1 to Oct. 31}$$

plus

$$\sum_8^{12} [(0.002 \times (VT1 + VT2)) + (DWF \times VT1) + F_{WT}] \times R \text{ For Nov. 1 to Mar. 31}$$

where: DSF = 0.00000 for Dawn fuel requirements  
DWF = 0.0022 for Dawn fuel requirements

in which:

YCR Yearly Commodity Required

The sum of 12 separate monthly calculations of Commodity Volumes 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.

VT1 Monthly volumes in 10<sup>3</sup>m<sup>3</sup> transported easterly hereunder received at Dawn at not less than 4 850 kPa but less than 5 860 kPa (compression required at Dawn).

VT2 Monthly volumes in 10<sup>3</sup>m<sup>3</sup> transported easterly hereunder which may be required to be delivered to Dawn at not less than 5 860 kPa (no compression required at Dawn).

VT3 Monthly volume in 10<sup>3</sup>m<sup>3</sup> transported westerly hereunder received at the Parkway (Oakville) Delivery Point.



**uniongas**

Effective  
1998-01-01  
Rate M12  
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**(D) Transportation Commodity (Cont'd)**

**F<sub>WT</sub>** The individual customer's monthly share of compressor fuel used in 10<sup>3</sup>m<sup>3</sup> which was required at Union's Lobo, Bright, Trafalgar and Parkway Compressor Stations ("Lobo", "Bright", "Trafalgar" and "Parkway") to transport the same customer's VT1 and VT2 monthly volumes easterly.

The Lobo and Bright compressor fuel required by each customer will be calculated each month.

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

The monthly Parkway and Trafalgar compressor fuel used will be allocated to each customer in the same proportion as the monthly volume compressed for each user is to the total monthly volume compressed for all users including Union.

**F<sub>ST</sub>** The individual customer's monthly share of compressor fuel used in 10<sup>3</sup>m<sup>3</sup> which was required at Union's Lobo, Bright, Trafalgar and Parkway compressor stations to transport the same customer's volumes on the Trafalgar system.

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

**R** Union's weighted average cost of gas in \$/10<sup>3</sup>m<sup>3</sup>.

**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 customers will be allocated to supply Union's markets on the Dawn-Oakville facilities starting at Parkway and proceeding westerly to successive laterals until exhausted.



**(E) Provision for Compressor Fuel**

For a customer that has elected to provide its own compressor fuel:

**Transportation Fuel**

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

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

$$\text{Transportation Fuel Volume} = \text{Transportation Volume} \times \text{Transportation Fuel Ratio.}$$

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

**Storage Fuel**

On a monthly basis, the customer will provide Union at Dawn with the Storage Fuel Volume representing the customer's share of compressor fuel and unaccounted for gas on Union's system for storage service.

The Storage Fuel Volume will be determined on a monthly basis, as follows:

$$\text{Storage Fuel Volume} = (\text{Injection} + \text{Withdrawal Volumes}) \times \text{Storage Fuel Ratio.}$$

**Nominations**

The customer will be required to nominate its Transportation Fuel Volume and its Storage Fuel Volume in addition to its normal nominations for storage and transportation services. Nominations shall be in accordance with the attached Schedule "B".

**(F) Heat Value Adjustment**

Where provided for in the contract with the customer, a heat value adjustment shall be made in June for the previous twelve months, or part thereof, ending March 31.

**(G) Terms of Service**

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

**(H) Nominations**

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

Effective January 1, 1998  
O.E.B. ORDER # E.B.R.O. 494-06A

Chatham, Ontario

Supersedes E.B.R.O. 494 Rate Schedule effective January 1, 1997.

**Société en commandite Gaz Métropolitain**  
**Évaluation de l'impact sur l'année 1997/8 de la réduction**  
**des tarifs d'entreposage et de transport chez Union Gas (EBRO 494-06A)**  
**Impact du 1 janvier 1998 au 30 septembre 1998**

No de Ligne	Description	Prix -- \$/10 <sup>3</sup> M <sup>3</sup>			10 <sup>3</sup> M <sup>3</sup>	Frais d'entreposage au prix du		
		1er jan. 97	1er jan 98	Écart		1er jan. 97	1er jan 98	Réduction
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	<b>Union Gas -- tarif M-12</b>							
2	<b>Prime fixes:</b>							
3	Montant provenant des frais reportés					4 812 \$	4 812 \$	- \$
4	Espace	0,316	0,312	0,004	1 800 000	569 \$	562 \$	7 \$
5	Entreposage	42,577	42,070	0,507	21 639	921 \$	910 \$	11 \$
6	Transport	110,880	109,208	1,672	16 284	1 806 \$	1 778 \$	27 \$
7		<u>13,513</u>	<u>13,437</u>	<u>0,076</u>	<u>600 000</u>	<u>8 108 \$</u>	<u>8 062 \$</u>	<u>45 \$</u>
8	<b>Frais d'injection:</b>							
9	Entreposage	0,217	0,217	0,000	353 827	77 \$	77 \$	- \$
10	Entreposage -- "overrun"	1,617	1,600	0,017	20 415	33 \$	33 \$	0 \$
11	Entreposage -- fuel -- .4% et 1.3%	105,856	105,856	0,000	1 681	178 \$	178 \$	- \$
12	Transport vers l'ouest -- "overrun"	3,645	3,590	0,055	20 415	74 \$	73 \$	1 \$
13	Transport -- fuel -- .3%	105,856	105,856	0,000	1 123	119 \$	119 \$	- \$
14		<u>1,285</u>	<u>1,280</u>	<u>0,005</u>	<u>374 242</u>	<u>481 \$</u>	<u>479 \$</u>	<u>1 \$</u>
15	<b>Frais de retraits</b>							
16	Entreposage	0,217	0,217	0,000	339 992	74 \$	74 \$	- \$
17	Entreposage -- "overrun"	1,617	1,617	0,000	34 250	55 \$	55 \$	- \$
18	Entreposage -- fuel -- .4% et 2.1%	105,856	105,856	0,000	2 079	220 \$	220 \$	- \$
19	Transport vers l'est	0,000	0,000	0,000	339 992	- \$	- \$	- \$
20	Transport vers l'est -- "overrun"	3,645	3,590	0,055	34 250	125 \$	123 \$	2 \$
21	Transport -- fuel -- 0.7%	105,856	105,856	0,000	2 380	252 \$	252 \$	- \$
22	Déshydratation	0,160	0,160	0,000	123 500	20 \$	20 \$	- \$
23		<u>1,993</u>	<u>1,988</u>	<u>0,005</u>	<u>374 242</u>	<u>746 \$</u>	<u>744 \$</u>	<u>2 \$</u>
24	Ajustement					21 \$	21 \$	- \$
25		<u>24,998</u>	<u>24,867</u>	<u>0,131</u>	<u>374 242</u>	<u>9 355 \$</u>	<u>9 306 \$</u>	<u>49 \$</u>
26	<b>Union Gas -- tarif C-1</b>							
27	<b>Prime fixes:</b>							
28	St-Clair à Dawn	35,933	35,685	0,248	5 103	183 \$	182 \$	1 \$
29	Ojibway à Dawn	35,933	35,685	0,248	8 910	320 \$	318 \$	2 \$
30						<u>504 \$</u>	<u>500 \$</u>	<u>3 \$</u>
31	<b>Frais variables:</b>							
32	St-Clair à Dawn	0,279	0,279	0,000	0	- \$	- \$	- \$
33	Ojibway à Dawn	1,046	1,046	0,000	0	- \$	- \$	- \$
34					0	- \$	- \$	- \$
35	<b>Total frais de transport -- tarif C1</b>					<u>504 \$</u>	<u>500 \$</u>	<u>3 \$</u>
36	<b>Total frais des tarifs M12 et C1</b>					<u>9 859 \$</u>	<u>9 806 \$</u>	<u>52 \$</u>

**Société en commandite Gaz Métropolitain**  
**Évaluation de l'impact de la réduction**  
**des tarifs d'entreposage et de transport chez Union Gas (EBRO 494-06A)**  
**Impact de la baisse tarifaire pour la période du 1er octobre 1998 au 30 septembre 1999**

No de Ligne	Description	Prix -- \$/10 <sup>3</sup> M <sup>3</sup>			10 <sup>3</sup> M <sup>3</sup>	Frais d'entreposage au prix du		
		1er jan. 97	1er jan 98	Écart		1er jan. 97	1er jan 98	Réduction
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	<b>Union Gas -- tarif M-12</b>							
2	<b>Prime fixes:</b>							
3	Espace	0,316	0,312	0,004	7 200 000	2 275\$	2 246\$	29\$
4	Entreposage	42,577	42,070	0,507	86 556	3 685	3 641	44
5	Transport	110,880	109,208	1,672	65 136	7 222	7 113	109
6		<u>21,971</u>	<u>21,669</u>	<u>0,303</u>	<u>600 000</u>	<u>13 183</u>	<u>13 001</u>	<u>182</u>
7	<b>Frais d'injection:</b>							
8	Entreposage	0,217	0,217	0,000	614 626	133	133	0
9	Entreposage -- "overrun"	1,617	1,600	0,017	20 415	33	33	0
10	Entreposage -- fuel -- .4% et 1.3%	105,856	105,856	0,000	2 724	288	288	0
11	Transport vers l'ouest -- "overrun"	3,645	3,590	0,055	32 294	118	116	2
12	Transport -- fuel -- .3%	<u>105,856</u>	<u>105,856</u>	<u>0,000</u>	<u>1 905</u>	<u>202</u>	<u>202</u>	<u>0</u>
13		<u>1,219</u>	<u>1,215</u>	<u>0,004</u>	<u>635 041</u>	<u>774</u>	<u>772</u>	<u>2</u>
14	<b>Frais de retraits</b>							
15	Entreposage	0,217	0,217	0,000	614 626	133	133	0
16	Entreposage -- "overrun"	1,617	1,617	0,000	20 415	33	33	0
17	Entreposage -- fuel -- .4% et 2.1%	105,856	105,856	0,000	2 887	306	306	0
18	Transport vers l'est	0,000	0,000	0,000	614 626	0	0	0
19	Transport vers l'est -- "overrun"	3,645	3,590	0,055	20 415	74	73	1
20	Transport -- fuel -- 0.7%	105,856	105,856	0,000	4 302	455	455	0
21	Déshydratation	<u>0,160</u>	<u>0,160</u>	<u>0,000</u>	<u>198 261</u>	<u>32</u>	<u>32</u>	<u>0</u>
22		<u>1,628</u>	<u>1,626</u>	<u>0,002</u>	<u>635 041</u>	<u>1 034</u>	<u>1 032</u>	<u>1</u>
23	Ajustement					61	61	0
24		<u>23,702</u>	<u>23,410</u>	<u>0,292</u>	<u>635 041</u>	<u>15 051\$</u>	<u>14 866\$</u>	<u>185\$</u>
						<u>15 051\$</u>		
25	<b>Union Gas -- tarif C-1</b>					(0\$)		
26	<b>Prime fixes:</b>							
27	St-Clair à Dawn	35,933	35,685	0,248	6 804	244\$	243\$	2\$
28	Ojibway à Dawn	35,933	35,685	0,248	11 880	427	424	3
29						<u>671</u>	<u>667</u>	<u>5</u>
30	<b>Frais variables:</b>							
31	St-Clair à Dawn	0,279	0,279	0,000	0	0	0	0
32	Ojibway à Dawn	1,046	1,046	0,000	0	0	0	0
33					0	0	0	0
34	<b>Total frais de transport -- tarif C1</b>					<u>671</u>	<u>667</u>	<u>5</u>
35	<b>Total frais des tarifs M12 et C1</b>					<u>15 723\$</u>	<u>15 533\$</u>	<u>189\$</u>

National Energy Board



Office national de l'énergie

## AO-1-TG-7-96

IN THE MATTER OF the *National Energy Board Act*  
and the Regulations made thereunder; and

IN THE MATTER OF a request dated 12 October 1995  
by TransCanada PipeLines Limited ("TransCanada")  
for an Order setting out the manner in which TransCanada  
will dispose of funds received over an estimated three  
year period from Great Lakes Gas Transmission Limited  
Partnership ("Great Lakes").

BEFORE the Board on 3 October 1996.

WHEREAS the Board received a request from TransCanada, dated 12 October 1995, pursuant to sections 12(1)(b) and 59 of the *National Energy Board Act* ("the Act"), for an Order setting out the manner in which TransCanada will dispose of funds received over an estimated three year period from Great Lakes;

AND WHEREAS the Board, following a written proceeding on this issue, issued Order TG-7-96;

AND WHEREAS the Board has received a request from TransCanada, dated 26 September 1996, pursuant to section 21 of the Act, for a variance in the terms of Order TG-7-96. In particular, TransCanada requested that the 45 day period for the crediting of refunds, as provided in paragraph 3 thereof, be varied so as to recognize and address how to deal with the refund in the event that the Order is appealed;

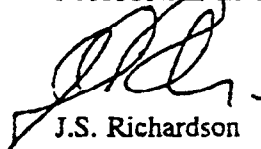
AND WHEREAS the Board has found it necessary to amend paragraph 3 of Order TG-7-96;

THEREFORE, IT IS ORDERED, pursuant to section 21 of the Act that paragraph 3 of Order TG-7-96 be replaced by the following:

3. TransCanada is directed to add interest to the amount refunded to shippers at the approved rate of return on rate base if such invoices are not credited as follows:
  - a) for amounts already received, within 60 days from the date of these reasons or within 60 days from the date of a final decision on this matter, if the within Order is appealed; and
  - b) for amounts received after the date of these reasons, within 60 days from the date that the funds were received by TransCanada, or within 60 days from the date of a final decision on this matter, if the within Order has been appealed.

In each case, interest should be calculated from the end of the applicable 60 day period to the invoice date.

NATIONAL ENERGY BOARD



J.S. Richardson  
Secretary

AO-1-TG-7-96