

Société en Commandite Gaz Métropolitain

Cause Tarifaire 2000, R-3426-99

Incidence des ajustements tarifaires reportés dans la cause tarifaire 2000 (en milliers \$)

Ligne no	Ordonnances	Périodes	Références SCGM-8,document 4	\$	Intérêts	Total
Frais de transport						
1	TCPL	1 janvier 1999 au		(1 820)	(59)	(1 879)
2	TG1-2-98	30 septembre 1999	Lettre du 9 février 1999	page 4		
3						
4	ONE	Janvier 1999	Remboursement			
5			Déménagement	page 6	(937)	(38)
6						(975)
7	TCPL	Juin 1999 au				
8	AO-1-TGI-2-98	30 septembre 1999	Lettre du 31 août 1999	page 12	2 490	24
9						2 514
10	Michcon	1 janvier 1999 au				
11		30 septembre 1999	Réduction prime fixe	page 15	(258)	0
12						(258)
13	Great Lakes	Juin 1999	Intérêts	page 16	(118)	(10)
14						(128)
15	Nova Gas		Lettre du 31 août 1999	page 20	(11)	0
16						(11)
17						
18				<u>(654)</u>	<u>(83)</u>	<u>(737)</u>
19						
20	Frais d'entreposage					
21						
22	Union	1 janvier 1999 au				
23	EBRO 499	30 septembre 1999	Réduction tarif	page 44	(31)	0
24						(31)
25	Union					
26	EBRO 499	Juin 1999	Frais reportés	page 45	(805)	(18)
27						(823)
28						
29				<u>(836)</u>	<u>(18)</u>	<u>(854)</u>
30						
31				<u>(1 490)</u>	<u>(101)</u>	<u>(1 591)</u>
32						
33						
34	<u>Impact sur la base de tarification</u>					
35						
36		Valeur inscrite	Base			
37		dans la base	Moyenne			
38						
39		(1 591)		(796)		
40				<u>(796)</u>		
41						
42						
43		Taux de rendement sur la base				
44		de tarification moyenne		8.47%		
45						
46				(67)		
47						
48		Majoration impôt		0.631		
49						
50		Impact sur les tarifs		(107)	<u>(107)</u>	
51						

PAR TÉLÉCOPIEUR

Le 9 février 1999

M^c Véronique Dubois
Secrétaire de la Régie
RÉGIE DE L'ÉNERGIE
800, Place Victoria
2^e étage, bureau 255
Montréal (Québec)
H4Z 1A2

**OBJET : Incidence des ajustements tarifaires de
TransCanada PipeLines Limited
Ordonnance de l'Office national de l'énergie TG1-2-98
Notre dossier : 312.00005**

Chère consoeur,

La présente a pour but d'informer la Régie d'une récente ordonnance de l'Office national de l'énergie (« ONE ») ayant un impact sur les coûts de transport de Société en commandite Gaz Métropolitain (« SCGM »).

La décision TG1-2-98 de l'ONE porte sur les tarifs provisoires de TransCanada PipeLines Limited (« TCPL ») en vigueur à compter du 1^{er} janvier 1999. Nous joignons copie de la lettre de l'ONE et de l'ordonnance TG-1-2-98 qui y était jointe (voir l'annexe 1).

L'application de ces tarifs produit, pour SCGM, une réduction évaluée actuellement à 1 820 000 \$ pour l'exercice financier se terminant le 30 septembre 1999. Nous joignons un document détaillant le calcul de cet impact pour SCGM pour la période du 1^{er} janvier 1999 au 30 septembre 1999 (voir l'annexe 2). Comme il a été fait dans le passé, SCGM propose de n'effectuer qu'un seul ajustement tarifaire annuellement. L'incidence financière de cette décision de l'ONE sera donc imputée à un compte de frais reportés que la Régie sera appelée à disposer lors de la prochaine cause tarifaire. Veuillez noter que des intérêts seront également capitalisés sur cet ajustement compte tenu que le compte de frais reportés est exclu de la base de tarification.

Enfin, cette modification tarifaire de TCPL exige que SCGM révisé immédiatement certaines dispositions de ses *Tarifs* (particulièrement quant au crédit du transport pour les clients en service de livraison). Vous trouverez, joint en annexe 3, le texte des modifications aux *Tarifs*.

Nous demeurons évidemment disponible pour tout renseignement additionnel et vous prions d'agréer, chère consoeur, nos salutations distinguées.

Jocelyn B. Allard

/gg
P.j.

Annexe 2

Société en commandite Gaz Métropolitain
Évaluation de l'impact de la réduction des tarifs de TCPL
Décrété par ONE dans son ordonnance TG1-2-98 en vigueur le 1er janvier 1999
Impact de la baisse tarifaire pour la période du 1er janvier 1999
au 30 septembre 1999

No de Ligne	Description	Prix – \$/10 ³ M ³			10 ³ M ³ (4)	,000\$ (5)
		1er jan 99 (1)	1er avr 98 (1)	Écart (3)		
1	Prime fixes FS:					
2	Empress / zone est	970.65	984.29	(13.64)	151146	(\$2,062)
3	Empress / zone nord	<u>797.47</u>	<u>807.08</u>	(9.61)	2961	(\$28)
4				(13.56)	<u>154107</u>	(\$2,090)
5	Transport FS:					
6	Empress / zone est	1.668	1.671	(0.003)	4584678	(\$14)
7	Empress / zone nord	<u>1.351</u>	<u>1.351</u>	0.000	89817	\$0
8				(0.003)	4674495	(\$14)
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	110749	\$0
11	Transport gaz d'été	0.000	0.000	0.000	7315	\$0
	Transport St. Flavien	0.000	0.000	0.000	-33993	\$0
12	Service de livraison	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>21021</u>	\$0
13				(0.440)	<u>4779587</u>	(\$2,104)
14	Inventaire:					
15	- Au début	33.580	33.580	0.000	452733	\$0
16	- À la fin	<u>33.580</u>	<u>34.031</u>	(0.451)	<u>-699781</u>	-\$316
17	Variation de l'inventaire				<u>-247048</u>	\$316
18	Gaz utilisé par la société	33.580	34.031	(0.451)	-21465	\$10
19				(0.394)	<u>4511074</u>	(\$1,778)
20	STS (Parkway/Mtl):					
21	Frais variables	0.360	0.360	0.000	332525	\$0
22	Prime fixes	228.000	230.600	(2.600)	12033	(\$29)
23	Overrun	7.856	7.941	(0.085)	66625	(\$6)
24						(\$34)
25	STFT (Wadd./Mtl):					
26	Frais variables	0.000	0.000	0.000	0	\$0
27	Prime fixes	0.000	0.000	0.000	0	\$0
28					0	\$0
29	WFS (Parkway / Mtl)	0.000	0.000	0.000		
30	Fuel utilisé pour:					
31	Injection du GES	33.580	34.031	(0.451)	3103	(\$1)
32	Retraits et transport du GES	33.580	34.031	(0.451)	5058	(\$2)
33	Transport du STS	33.580	34.031	(0.451)	6827	(\$3)
34						(\$7)
35				(0.403)	4511074	(\$1,820)
36	Gaz perdu				<u>29313</u>	\$0
37	Gaz vendu			(0.406)	<u>4481761</u>	(\$1,820)

SOCIÉTÉ EN COMMANDITE GAZ MÉTROPOLITAIN
MODIFICATIONS AUX TARIFS
SUITE AUX NOUVEAUX TARIFS DE TCPL

Suite à la décision TG1-2-98 de l'Office national de l'énergie, les tarifs de TCPL sont modifiés à compter du 1^{er} janvier 1999.

Les crédits de transport prévus aux tarifs en service de livraison doivent donc aussi être modifiés à compter du 1^{er} janvier 1999 pour refléter les nouveaux frais fixes et variables de transport de TCPL.

À compter du 1^{er} janvier 1999, les articles 4.1 des tarifs 1, 3, 4, M, GP et DI, ainsi que les articles 6.1 du tarif 5 et 5.1 du tarif DC doivent être remplacés par le suivant :

Crédit de transport 4.1 (Frais fixes de transport selon un coefficient d'utilisation de 100% + frais variables de transport) x Volume livré au distributeur.
 ou 5.1
 ou 6.1

Ces frais fixes et variables de transport du gaz de l'Alberta jusqu'au territoire du distributeur sont les suivants :

	<u>zone sud</u>	<u>zone nord</u>
Frais fixes de transport :	3,208 ¢/m ³	2,636 ¢/m ³
Frais variables de transport :	0,751 ¢/m ³	0,605 ¢/m ³

Les articles 3.1 et 3.2 du tarif DC doivent également être remplacés, à compter du 1^{er} janvier 1999, par les suivants :

Obligation mensuelle 3.1 zone sud zone nord
minimale Taux par m³ de volume souscrit : 97,065 ¢/m³ 79,747 ¢/m³

Ce taux correspond à la prime fixe de transport payée par le distributeur.

Frais variables de 3.2 zone sud zone nord
transport Taux par m³ de volume retiré : 0,751 ¢/m³ 0,605 ¢/m³

Ce taux correspond aux frais variables de transport et inclut les frais de compression.

Société en Commandite Gaz Métropolitain

Cause Tarifaire 2000, R-3426-99

TCPL - Remboursement du déménagement

Ligne no				Références SCGM-8, Document 4	\$
1	TCPL	Facture	99-047597-01	page 7	(872 320)
2		Facture	99-047597-01	page 7	(44 819)
3		Facture	99-047597-02	page 8	(13 860)
4		Facture	99-047597-03	page 9	(6 146)
5					
6					<u>(937 145)</u>



TransCanada

TransCanada PipeLines Limited

BOX 1000, STATION M, CALGARY, ALBERTA T2P 4K5

Transportation Services Invoice
GST REGISTRATION NUMBER 105345904

Invoice No. 99-047597-01

Gaz Metropolitan and Company, Limited Partnership
1717 RUE DU HAVRE
MONTREAL, Quebec
H2K 2X3

Date FEBRUARY 10, 1999
Customer No. 641
Delivery Area EDA
A.R. No. C00414
Period MONTH OF JANUARY 1999

Class of Service/Charge	GJ	Rate (\$)	Amount(\$)
TRANSPORTATION CHARGES			
RATE ZONE: EASTERN			
FIRM TRANSPORTATION DEMAND	632,955	25.75352	16,300,819.25
COMMODITY - Jan 99 - NEB REFUND	19,621,605	0.04426	868,452.24
	632,955	-1.37817	-872,319.59 CR ✓
TOTAL FIRM TRANSPORTATION	19,621,605		16,296,951.90
STORAGE TRANSPORTATION SERVICE			
RATE ZONE: PARKWAY BELT TO EDA			
COMMODITY - IN	16,575	0.00000	0.00
TOTAL STORAGE TRANSPORTATION SERVICE	16,575		0.00
STORAGE TRANSPORTATION SERVICE			
RATE ZONE: PARKWAY BELT TO EDA			
COMMODITY - IN	151,174	6.04935	914,504.44
COMMODITY - OUT	151,174	-0.29647	-44,818.56 CR
COMMODITY - OUT	4,402,155	0.00955	42,040.58
COMMODITY - OUT	27,481	0.00955	262.44
COMMODITY - OUT OVERRUN BASIC CHARGE	2,782,017	0.20843	579,855.80
TOTAL STORAGE TRANSPORTATION SERVICE	7,211,653		1,491,844.70
PRESSURE CHARGES			
RATE ZONE: PRESSURE-DAWN			
COMMODITY - IN	16,575	0.00411	68.12
TOTAL STORAGE TRANSPORTATION SERVICE	16,575		68.12

CONT



TransCanada

Canada PipeLines Limited
Box 1000, Station M, Calgary, Alberta T2P 4K5

Transportation Services Invoice

GST REGISTRATION NUMBER 105345904

Invoice No. 99-047599-01

Page 1 of 1

Gaz Metropolitan and Company, Limited Partnership
1717 RUE DU HAVRE
MONTREAL, Quebec
H2K 2X3

Date FEBRUARY 10, 1999
Customer No. 414
Delivery Area NDA
A.R. No. C00414
Period MONTH OF JANUARY 1999

Class of Service/Charge	GJ	Rate (\$)	Amount(\$)
TRANSPORTATION CHARGES			
RATE ZONE: NORTHERN			
FIRM TRANSPORTATION			262,303.91
DEMAND	12,397	21.15866	13,777.41
COMMODITY	384,307	0.03585	-13,860.47 CR
- Jan 99 - NEB REFUND	12,397	-1.11805	
TOTAL FIRM TRANSPORTATION	384,307		262,220.85
STORAGE TRANSPORTATION SERVICE			64.08
COMMODITY - IN	6,710	0.00955	64.08
TOTAL STORAGE TRANSPORTATION SERVICE	6,710		64.08

PRESSURE CHARGES
RATE ZONE: PRESSURE-DAWN

STORAGE TRANSPORTATION SERVICE	6,710	0.00411	27.58
COMMODITY - IN			
TOTAL STORAGE TRANSPORTATION SERVICE	6,710		27.58

GOODS AND SERVICES TAX AT 7.00%			18,361.88
TOTAL PAYABLE ON OR BEFORE FEBRUARY 19, 1999			280,674.39

PURSUANT TO THE GENERAL TERMS AND CONDITIONS, SECTION XI OF THE TARIFF

DIRECTEUR PROVISIONNEMENT-GAZIER

V. FORTIN

MONSANT	COMPTE	DEBIT	CREDIT	SOLDE
276,172.98	251.34			
(13,860.47)	183.70			
				18,361.88
				280,674.39

Ligne directe : (514) 598-3785

Le 31 août 1999

PAR TÉLÉCOPIEUR

M^e Véronique Dubois
Secrétaire
RÉGIE DE L'ÉNERGIE
800, place Victoria
2^e étage, bureau 255
MONTRÉAL (Québec) H4Z 1A2

1717, rue du Havre
Montréal (Québec)
H2K 2X3

Téléphone
(514) 598-3444

Site Internet
www.gazmetro.com

Objet : Incidence des ajustements tarifaires de TransCanada PipeLines Limited
Ordonnance de l'Office national de l'énergie AO-1-TGI-2-98
N/Dossier : 312.00005

Chère consœur,

La présente a pour but d'informer la Régie d'une récente ordonnance de l'Office national de l'énergie (« ONE ») ayant un impact sur les coûts de transport de Société en commandite Gaz Métropolitain (« SCGM »).

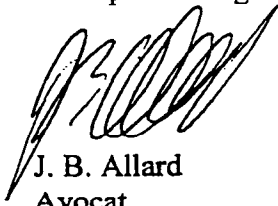
La décision AO-1-TGI-2-98 de l'ONE porte sur les tarifs de TransCanada PipeLines Limited (« TCPL ») en vigueur à compter du 1^{er} juin 1999.

L'application de ces tarifs produit, pour SCGM, une augmentation évaluée actuellement à 2 490 000 \$ pour l'exercice financier se terminant le 30 septembre 1999. Nous joignons un document détaillant le calcul de cet impact pour SCGM pour la période du 1^{er} juin 1999 au 30 septembre 1999 (voir l'annexe 1). Comme il a été fait dans le passé, SCGM propose de n'effectuer qu'un seul ajustement tarifaire annuellement. L'incidence financière de cette décision de l'ONE sera donc imputée à un compte de frais reportés que la Régie sera appelée à disposer lors de la prochaine cause tarifaire. Veuillez noter que des intérêts seront également capitalisés sur cet

ajustement compte tenu que le compte de frais reportés est exclu de la base de tarification.

Enfin, cette modification tarifaire de TCPL exige que SCGM révisé immédiatement certaines dispositions de ses *Tarifs* (particulièrement quant au crédit du transport pour les clients en service de livraison). Vous trouverez, joint en annexe 2, le texte des modifications aux *Tarifs*.

Vous prie d'agréer, chère consoeur, nos salutations distinguées.



J. B. Allard
Avocat

JBA/ab

Pièces jointes

Société en commandite Gaz Métropolitain						
Évaluation de l'impact de l'augmentation des tarifs de TCPL du 1er juin 1999						
Décrété par ONE dans son ordonnance AO-1-TG1-2-98 en vigueur le 1er juin 1999						
Impact de la augmentation tarifaire pour la période du 1er juin 1999						
au 30 septembre 1999						
No de Ligne	Description	Prix – \$/Gj			Gj	,000\$
		1er juin 99	1er jan. 99	Écart		
		(1)	(2)	(3)	(4)	(5)
1	Prime fixes FS:					
2	Empress / zone est	27,39904	25,75350	1,64554	632 955	\$4 166
3	Empress / zone nord	<u>22,26942</u>	<u>21,15870</u>	<u>1,11072</u>	<u>12 397</u>	<u>\$55</u>
4				6,54	<u>645 352</u>	<u>\$4 221</u>
5	Transport FS:					
6	Empress / zone est	0,03569	0,04426	(0,009)	74 292	(\$637)
7	Empress / zone nord	<u>0,02872</u>	<u>0,03585</u>	<u>(0,007)</u>	<u>1 514</u>	<u>(\$11)</u>
8				(8,541)	75 806	(\$647)
9	Achats/Ventes de l'est	0,93648	0,89095	0,046	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	0	\$0
12	Service de livraison	<u>0,000</u>	<u>0,000</u>	<u>0,000</u>	354	<u>\$0</u>
13				<u>46,925</u>	<u>76 160</u>	<u>\$3 574</u>
14	Inventaire:					
15	- Au début	0,89095	0,89095	0,000	3 688	\$0
16	- À la fin	<u>0,93648</u>	<u>0,89095</u>	<u>0,046</u>	<u>(23 631)</u>	<u>(\$1 076)</u>
17	Variation de l'inventaire				<u>(19 943)</u>	<u>(\$1 076)</u>
18	Gaz utilisé par la société	<u>0,936</u>	<u>0,891</u>	<u>0,046</u>	<u>(200)</u>	<u>(\$9)</u>
19				<u>44,429</u>	<u>56 017</u>	<u>\$2 489</u>
20	STS (Parkway/Mtl):					
21	Frais variables	0,00767	0,00955	(0,002)	0	\$0
22	Prime fixes	6,42417	6,0493	0,375	0	\$0
23	Overrun	0,21888	0,20843	0,010	0	\$0
24					0	\$0
25	STFT (Wadd./Mtl):					
26	Frais variables	0,000	0,000	0,000	0	\$0
27	Prime fixes	0,000	0,000	0,000	0	\$0
28					0	\$0
29	WFS (Parkway / Mtl)	0,000	0,000	0,000	0	\$0
30	Fuel utilisé pour:					
31	Injection du GES	0,936	0,891	0,046	23	\$1
32	Retraits et transport du GES	0,936	0,891	0,046	0	\$0
33	Transport du STS	0,936	0,891	0,046	0	\$0
34						<u>\$1</u>
35				<u>44,448</u>	<u>56 017</u>	<u>\$2 490</u>
36	Gaz perdu				<u>342</u>	<u>\$0</u>
37	Gaz vendu			<u>44,721</u>	<u>55 675</u>	<u>\$2 490</u>

SOCIÉTÉ EN COMMANDITE GAZ MÉTROPOLITAIN
MODIFICATIONS AUX TARIFS
SUITE AUX NOUVEAUX TARIFS DE TCPL

Suite à la décision AO-1-TG1-2-98 de l'Office national de l'énergie, les tarifs de TCPL sont modifiés à compter du 1^{er} juin 1999.

Les crédits de transport prévus aux tarifs en service de livraison doivent donc aussi être modifiés à compter du 1^{er} juin 1999 pour refléter les nouveaux frais fixes et variables de transport de TCPL.

À compter du 1^{er} juin 1999, les articles 4.1 des tarifs 1, 3, 4, M, GP et DI, ainsi que les articles 6.1 du tarif 5 et 5.1 du tarif DC doivent être remplacés par le suivant :

Crédit de transport 4.1 (Frais fixes de transport selon un coefficient d'utilisation de 100% + frais
ou 5.1 variables de transport) x Volume livré au distributeur.
ou 6.1

Ces frais fixes et variables de transport du gaz de l'Alberta jusqu'au territoire du distributeur sont les suivants :

	<u>zone sud</u>	<u>zone nord</u>
Frais fixes de transport :	3,413 ¢/m ³	2,774 ¢/m ³
Frais variables de transport :	0,719 ¢/m ³	0,578 ¢/m ³

Les articles 3.1 et 3.2 du tarif DC doivent également être remplacés, à compter du 1^{er} juin 1999, par les suivants :

Obligation mensuelle 3.1 zone sud zone nord
minimale Taux par m³ de volume souscrit : 103,815 ¢/m³ 84,379 ¢/m³

Ce taux correspond à la prime fixe de transport payée par le distributeur.

Frais variables de 3.2 zone sud zone nord
transport Taux par m³ de volume retiré : 0,719 ¢/m³ 0,578 ¢/m³

Ce taux correspond aux frais variables de transport et inclut les frais de compression.

Dawn M. Sherman
Director, Gas Supply

Michigan Consolidated Gas Company
500 Griswold Street, Detroit, Michigan 48226

313 256-6435
313 256-6410 FAX

March 17, 1999

Mr. Jean-Pierre Bélisle
Manager, Operations, Gas Supply
Gaz Métropolitain, Inc.
1717, rue du Havre
Montréal, Québec, Canada H2K 2X3

RE: Firm Transportation Agreement, Dated November 1, 1990

Dear Mr. Bélisle:

Gaz Métropolitain, Inc. ("GMi") and Michigan Consolidated Gas Company ("MichCon") currently have in place a Firm Transportation Agreement, dated November 1, 1990 ("Agreement"). Both parties have had recent discussions, pursuant to Section 5.2 of the Agreement, whereby the charges paid by GMi to MichCon for services under this Agreement are subject to renegotiation every January 1st through February 28th.

In addition, on November 9, 1998, MichCon filed straight fixed variable ("SFV") rates for its NGPA Section 311 ("Hinshaw") transportation, in compliance with the Federal Energy Regulatory Commission ("FERC") order on remand, in Docket No. PR94-9-002. MichCon submitted its firm interstate transportation rate consisting of each of the following items: \$300 monthly administration fee, monthly discountable reservation rate of \$4.5680/Mcf applicable to shippers' Maximum Daily Quantity (MDQ), commodity rate of \$0.00/Mcf, and a 0.9% fuel and lost and unaccounted-for gas charge. On February 24, 1999, the FERC issued a letter order approving the filed rates effective March 1, 1999, and will apply to the above referenced transportation agreement between our respective companies.

By this letter, the parties have agreed to document the following modifications to the Agreement:

1. Effective March 1, 1999 and continuing to the Agreement's termination date, the monthly Demand Charge as specified in Exhibit "C" shall be deleted and replaced with:

$\$0.025 \times \text{MDQ} \times \text{Number of Days in the Month}$

Société en commandite Gaz Métropolitain
Évaluation de l'impact sur l'année 1998/9 de la réduction
des tarifs de transport chez Michcon
Impact du 1 janvier 1999 au 30 septembre 1999

No de Ligne	Description	Unité de mesure	Prix du ...		Réduction
			1er nov. 90	1er mars 99	
		(1)	(2)	(3)	(4)
1	Prime fixe				
2	Demande journalière maximum	Mpc/jr	20 000	20 000	
3	Nombre de jour		214	214	
4	Prix	\$US/Mpc/mois	0.065 \$	0.025 \$	0.040 \$
5	Prime fixe	,000 \$US	278 \$	107 \$	171 \$
6	Frais d'administration				
7	Nombre de mois		7	7	
8	Prix	\$US/mois	300 \$	300 \$	- \$
9	Frais d'administration	,000 \$US	2 \$	2 \$	- \$
10	Frais variable				
11	Prix	\$US/Mpc	0.0400 \$	0.0400 \$	- \$
12	Volume transporté	Mpc	-	-	-
13	Frais variable	,000 \$US	- \$	- \$	- \$
14	Sous-total	,000 \$US	280 \$	109 \$	171 \$
15	Taux de change		1.5035 \$	1.5035 \$	- \$
16	Frais de transport MichCon	,000 \$Cdn	422 \$	164 \$	258 \$

Société en Commandite Gaz Métropolitain

Cause Tarifaire 2000, R-3426-99

TCPL - Intérêts de Great Lakes

Ligne no				Références SCGM-8, Document 4	\$
1	TCPL	Facture	99-049429-04	page 17	(1 746)
2		Facture	99-049425-04	page 18	(109 894)
3		Facture	99-049425-04	page 18	(5 646)
4		Facture	99-049330-04	page 19	(774)
5					
6					<u>(118 060)</u>

TransCanada



Transmission

Prucha

DATE

Transportation Services Invoice

GST REGISTRATION NUMBER 105345904

BOX 1000 STATION M, CALGARY, ALBERTA T2P 4K6
 Invoice No. 99-049429-04

Page 1 of 1

Gaz Metropolitan and
 1717 RUE DU HAVRE
 MONTREAL, Quebec
 H2K 2X3

Company, Limited Partnership						Date
MONTH	DAY	YEAR	MONTH	DAY	YEAR	
						MAY 10, 1999
						Customer No. 414
						Delivery Area NDA
						A.R. No. C00414
						Period MONTH OF APRIL 1999
						Rate (\$) Amount(\$)

274,902.68 ✓ 251.34

TRANSPORTATION CHARGES
RATE ZONE: NORTHERN

19,243.19	274,145.87
-----------	------------

FIRM TRANSPORTATION

DEMAND	12,397	21.15866	262,303.91
COMMODITY	371,910	0.03585	13,332.97
GLGT - Mar 99 - NEB AO-1-TG-7-96	12,397	-0.14085	-1,746.12 CR
TOTAL FIRM TRANSPORTATION	371,910		273,890.76

STORAGE TRANSPORTATION SERVICE

COMMODITY - IN	14,125	0.00955	134.89
COMMODITY - IN	64,204	0.00955	613.15
TOTAL STORAGE TRANSPORTATION SERVICE	78,329		748.04

PRESSURE CHARGES
RATE ZONE: PRESSURE-DAWN

STORAGE TRANSPORTATION SERVICE	64,204	0.00411	263.88
COMMODITY - IN			
TOTAL STORAGE TRANSPORTATION SERVICE	64,204		263.88

GOODS AND SERVICES TAX AT 7.00% TAX BASE 274,902.68 19,243.19

TOTAL PAYABLE ON OR BEFORE MAY 20, 1999 294,145.87

PURSUANT TO THE GENERAL TERMS AND CONDITIONS, SECTION XI OF THE TARIFF

*Transfer
 99/05/20*



Gaz Metropolitan and Company, Limited Partnership
1717 RUE DU HAVRE
MONTREAL, Quebec
H2K 2X3

Date MAY 10, 1999
Customer No. 641
Delivery Area EDA
A.R. No. C00414
Period MONTH OF APRIL 1999

Class of Service/Charge	GJ	Rate (\$)	Amount(\$)
-------------------------	----	-----------	------------

TRANSPORTATION CHARGES
RATE ZONE: EASTERN

FIRM TRANSPORTATION			
DEMAND	632,955	25.75352	16,300,819.25
COMMODITY	18,874,969	0.04426	835,406.13
GLGT - Mar 99 - NEB AO-1-TG-7-96	632,955	-0.17362	-109,893.65 CR

TOTAL FIRM TRANSPORTATION 18,874,969 17,026,331.73

LBA Cumulative 4 Percent			
COMMODITY	127,547	0.12700	16,198.47

TOTAL LBA Cumulative 4 Percent 127,547 16,198.47

LBA Cumulative 6 Percent			
COMMODITY	164,933	0.21167	34,911.37

TOTAL LBA Cumulative 6 Percent 164,933 34,911.37

STORAGE TRANSPORTATION SERVICE			
COMMODITY - IN	592,393	0.00000	0.00
COMMODITY - IN	1,265,634	0.00000	0.00

TOTAL STORAGE TRANSPORTATION SERVICE 1,858,027 0.00

RATE ZONE: PARKWAY BELT TO EDA

STORAGE TRANSPORTATION SERVICE			
DEMAND	151,174	6.04935	914,504.44
GLGT - Mar 99 - NEB AO-1-TG-7-96	151,174	-0.03735	-5,646.35 CR

COMMODITY - OUT	413,738	0.00955	3,951.20
COMMODITY - OUT	16,262	0.00955	155.30

COMMODITY - OUT OVERRUN BASIC CHARGE	4,327	0.20843	901.88
--------------------------------------	-------	---------	--------

- CONT -



TransCanada
Transmission

Transportation Services Invoice

GST REGISTRATION NUMBER 105345904

BOX 1000, STATION M, CALGARY, ALBERTA T2P 4K5
Invoice No. 99-049330-04

Page 1 of 1

Gaz Metropolitan and Company, Limited Partnership
1717 RUE DU HAVRE
MONTREAL, Quebec
H2K 2X3

Date MAY 10, 1999
Customer No. 2184
Delivery Area
A.R. No. C00414
Period MONTH OF APRIL 1999

Class of Service/Charge	GJ	Rate (\$)	Amount(\$)
TRANSPORTATION CHARGES			
RATE ZONE: PARKWAY BELT TO PHILIPSBURG			
STORAGE TRANSPORTATION SERVICE			
DEMAND	20,279	6.16852	125,091.42
GLGT - Mar 99 - NEB AO-1-TG-7-96	20,279	-0.03818	-774.25 CR
COMMODITY - OUT	34,800	0.00977	340.00
TOT STORAGE TRANSPORTATION SERVICE	34,800		124,657.17
		TAX BASE	
GOODS AND SERVICES TAX AT 0.00%		124,657.17	0.00
TOTAL PAYABLE ON OR BEFORE MAY 23, 1999			124,657.17

PURSUANT TO THE GENERAL TERMS AND CONDITIONS, SECTION XI OF THE TARIFF

APPROVED	DATE
<i>[Signature]</i>	
DIRECTOR	
APPROVISIONEMENT GAZIER	
<i>V. FORTIN</i>	
AMOUNT	124,657.17
TAX	251.34
TOTAL	124,657.17

*Transfert
99/05/21*

Ligne directe : (514) 598-3785

Le 31 août 1999

PAR TÉLÉCOPIEUR

M^e Véronique Dubois
Secrétaire
RÉGIE DE L'ÉNERGIE
800, place Victoria
2^e étage, bureau 255
MONTRÉAL (Québec) H4Z 1A2

1717, rue du Havre
Montréal (Québec)
H2K 2X3

Téléphone
(514) 598-3444

Site Internet
www.gazmetro.com

Objet : Modification tarif AECO – Empress / 1^{er} août 1999
N/Dossier : 312.00039

Chère consœur,

La présente est pour informer la Régie que les taux de transport de Nova Gas Transmission Ltd entre AECO et Empress ont été modifiés de façon provisoire le 1^{er} janvier 1999 et de façon finale à compter du 1^{er} avril 1999. Ces taux ont été autorisés par la décision U96119 du Energy and Utilities Board de l'Alberta (« EUB »).

Comme il s'agit d'un service « dégroupé » dont la tarification ne fait qu'appliquer le coût établi par le EUB, Société en commandite Gaz Métropolitain (« SCGM ») avise la Régie de son intention de refléter ces nouveaux taux au texte de ses tarifs à compter du 1^{er} août 1999. Ces nouveaux taux seront donc utilisés dans les factures envoyées aux clients concernés de SCGM dès le mois de septembre 1999.

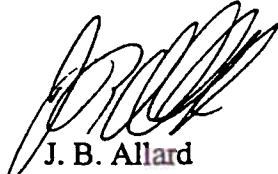
Quant à l'écart entre les taux facturés et les taux effectifs de ces tarifs de transport pour la période du 1^{er} novembre 1998 au 1^{er} août 1999, les documents ci-joints montrent un solde créditeur de 11 126 \$. Ce montant n'étant pas significatif, nous comptons en reporter le traitement dans la cause tarifaire 2000 plutôt que d'effectuer un ajustement tarifaire rétroactif mineur aux clients concernés. Cette

approche a été communiquée à Entreprises TransCanada Gas (« TCG ») qui représente la majorité des clients utilisant ce service. TCG ne s'est pas opposée à l'approche soumise par SCGM.

Afin de compléter l'information pertinente à ce dossier, vous trouverez ci-joint les documents suivants :

- Document explicatif sur la modification des taux au service de transport entre AECO et EMPRESS;
- Tarifs de Nova entre AECO et EMPRESS;
- Texte proposé du tarif de SCGM.

Veuillez agréer, chère consoeur, l'expression de nos sentiments les meilleurs.



J. B. Allard
Avocat

JBA/ab
Pièces jointes

c.c. : Madame Lucie Gervais, Entreprises TransCanada Gas

**MODIFICATION DES TAUX AU
SERVICE DE TRANSPORT ENTRE AECO ET EMPRESS**

Les taux de NOVA Gas Transmission Ltd concernant le transport entre AECO et Empress facturés aux clients en achat-revente utilisant ce service doivent être révisés.

En effet, les taux de transport entre AECO et Empress ont été modifiés le 1^{er} janvier 99 et le 1^{er} avril 99 depuis la mise en vigueur de ce service au texte des tarifs le 1^{er} novembre 98. De plus, les taux indiqués au texte des tarifs ont été établis de façon incorrecte dû à une mauvaise interprétation du tarif. Les frais fixes et variables de transport ont été facturés aux clients par SCGM, alors que seuls les frais fixes de transport ont été facturés à SCGM par NOVA (les frais variables de transport de NOVA ne sont pas applicables à SCGM). Le tableau suivant résume ces taux :

	¢/m ³	1 ^{er} nov 98	1 ^{er} jan 99	1 ^{er} avr 99
ont été facturés	frais fixes	0,459	0,459	0,459
	frais variables	0,023	0,023	0,023
auraient dû être facturés	frais fixes	0,459	0,482	0,472
	frais variables	---	---	---

De façon générale, comme pour le crédit des frais de transport entre Empress et la franchise (pour les clients en service de livraison à la franchise) qui sont modifiés chaque fois que le transporteur TCPL change ses prix, il faut modifier les coûts de transport entre AECO et Empress chaque fois que le transporteur NOVA change ses prix. Notre témoignage dans la cause tarifaire 1998/99 (R-3397-98) sur l'introduction de nouveaux services en a fait mention aux pages 25 (lignes 34 à 37) et 28 (lignes 28 et 29) de la pièce SCGM-18, document 1.

Au cours de la période allant du 1^{er} novembre 98 au 1^{er} août 99, les frais fixes du transporteur NOVA applicables aux clients utilisant le service de transport entre AECO et Empress ont donc augmenté ; d'un autre côté, la correction des frais variables de transport qui ont été facturés aux clients alors qu'ils n'auraient pas dû l'être représente une diminution. Le résultat net pour les clients concernés de ces variations positives et négatives représente un montant perçu en trop de 11 126 \$.

Les nouveaux taux du service de transport entre AECO et Empress seront facturés aux clients à compter du 1^{er} août 1999. Considérant la modicité du montant net résultant des modifications couvrant la période précédant le 1^{er} août 99, il a été jugé raisonnable et plus efficace, du point de vue du temps nécessaire et des coûts qui seraient encourus, de ne pas procéder à un exercice de re-facturation pour les mois passés.

Les pièces ci-jointes présentent :

les taux modifiés du transporteur NOVA pour le transport entre AECO et Empress ;
le calcul du montant net résultant de toutes les variations de taux survenues au cours de la période allant du 1^{er} novembre 98 au 1^{er} août 99 ;
les articles du texte des tarifs qui doivent être modifiés.

NOVA GAS TRANSMISSION LTD.

FINAL TRANSPORTATION RATES EFFECTIVE APRIL 1, 1999 AS DETERMINED IN ACCORDANCE WITH THE COST-EFFICIENCY INCENTIVE SETTLEMENT FURTHER TO THE ENERGY AND UTILITIES BOARD DECISION U96119

SERVICE	\$/10 ³ m ³	\$/10 ⁶ m ³	\$/Mcf	¢/Mcf
FS Demand Rate per Month	143.52		4.05	
FS Commodity Rate		0.22		0.63
Int. Interruptible Rate		5.44		15.31

- These rates do not include a provision for the federal goods and services tax
- All rates are quoted in Canadian dollars
- Metric units are used for billing purposes and Imperial units are provided for information purposes only
- * Applied to receipt contract demand quantities for intra-provincial deliveries and to receipt and delivery contract demand quantities for delivery to export points

NOVA GAS TRANSMISSION LTD.

INTERIM TRANSPORTATION RATES EFFECTIVE JANUARY 1, 1999

SERVICE	\$/10 ³ m	\$/10 ⁶ m ³	\$/Mcf	¢/Mcf
FS Demand Rate per Month	146.59		4.13	
FS Commodity Rate		0.21		0.59
IT-2 Interruptible Rate		5.53		15.58

- These rates do not include a provision for the federal goods and services tax
- All rates are quoted in Canadian dollars
- Metric units are used for billing purposes and Imperial units are provided for information purposes only
- Applied to receipt contract demand quantities for intra-provincial deliveries and to receipt and delivery contract demand quantities for delivery to export points

4.2. Customer's Monthly Commodity Charge

Customer's monthly commodity charge for a Billing Month for a Customer receiving Service under Rate Schedule FS shall be calculated by the application of the following formula:

$$\text{MCC} = (\text{FS CR}) D$$

where:

"MCC" is the Customer's monthly commodity charge;

"FS CR" is the FS Commodity Rate; and

"D" is the lesser of:

- (i) the aggregate volume of gas allocated to Customer for billing purposes under Rate Schedule FS in the month preceding such Billing Month; and
- (ii) the aggregate of the products obtained where each Receipt Point Contract Demand Quantity in effect for such Customer under this Rate Schedule FS, in the month preceding such Billing Month, is multiplied by the number of days in the month the Receipt Point Contract Demand Quantity was in effect;

less the volume of gas allocated to such Customer in the month preceding the Billing Month for Gas Used and Gas Lost in respect of Rate Schedule FS.

Tarifs de NOVA

	<u>1998</u>	<u>jan-mar 99</u>	<u>avril 99 -></u>
\$ 10 ³ m ³ /mois	139,69	146,59	143,52
\$ 10 ³ m ³	4,59255	4,81940	4,71847
\$ Gj @ 37,69	0,122	0,128	0,125
Nbre jours	61	90	122
Gj	1 768 024	2 600 160	2 367 751
Facturé à	0,127	0,127	0,127
Aurait dû être	<u>0,122</u>	<u>0,128</u>	<u>0,125</u>
	0,005	-0,001	0,002
Sur facturé	9 104	(2 261)	4 282
			11 126

Mois	Nbre jours		GJ	
Novembre 1998	30		869 520	
Décembre	31	61	898 504	1 768 024
Janvier 1999	31		898 380	
Février	28		806 934	
Mars	31	90	894 846	2 600 160
Avril	30		622 650	
Mai	31		603 538	
Juin	30		563 320	
Juillet	31	122	578 243	2 367 751

**SOCIÉTÉ EN COMMANDITE GAZ MÉTROPOLITAIN
MODIFICATIONS AUX TARIFS SUITE AUX NOUVEAUX TARIFS DE
NOVA GAS TRANSMISSION LTD**

Suite à la décision de l'Alberta Energy Board, les tarifs de NOVA ont été modifiés. Les coûts de transport (livraison à AECO C/NIT) prévus aux tarifs en service de livraison sont modifiés à compter du 1^{er} août 1999.

Les articles 5.2 des tarifs I, 3, 4, M, GP et DI, ainsi que les articles 8.2 du tarif 5 et 6.2 des tarifs DC et COG doivent, à compter du 1^{er} août 1999, être remplacés par le suivant :

Coût de transport (livraison à AECO C/NIT)

Frais fixes de transport selon un coefficient d'utilisation de 100% x volume livré au distributeur.

Ces frais fixes de transport entre AECO C/NIT et Empress sont les suivants :

Frais fixes de transport : 0,472 ¢/m³



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

AND IN THE MATTER OF an Application by
Union Gas Limited for an order or orders approving
or fixing just and reasonable rates and other charges
for the sale, distribution and transmission and
storage of gas as of January 1, 1999.

BEFORE: R.M.R. Higgin
Presiding Member

H.G. Morrison
Member

P. Vlahos
Member

RATE ORDER

The former Union Gas Limited and Centra Gas Ontario Inc. ("Centra") were amalgamated effective January 1, 1998 and continue operations under the Union Gas Limited ("Union") name. The former Union franchise area is referred to as the Southern operations area and the former Centra franchise area is referred to as the Northern and Eastern Operations area.

On May 8, 1998, pursuant to section 19 of the Ontario Energy Board Act, R.S.O. 1990 ("the Act"), Union Gas Limited ("Union" or "the Company" or "the Utility"), the amalgamated company, filed an application with the Ontario Energy Board ("OEB" or "the Board") for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, storage and transmission of gas ("the Application"). The proposed rates and other charges are based on projected results for the test year commencing January 1, 1999 and ending December 31, 1999 ("the 1999 fiscal year"). The Board assigned file number E.B.R.O. 499 to the Application.

On January 20, 1999, the Board issued its Decision with Reasons in E.B.R.O. 499. The Board found that:

- a) Union's utility rate base for the 1999 fiscal year, net of deferred taxes, is \$2,705.848 million;
- b) The 1999 fiscal year rate of return on Union's 1999 fiscal year rate base is 9.41 per cent and includes a rate of return on common equity of 9.61 per cent;
- c) Union's total revenue sufficiency for the 1999 fiscal year, prior to adjustments to reflect the impacts of the E.B.R.O. 499-01 rate order, is \$85.076 million.
- d) Union's total revenue sufficiency for the 1999 fiscal year, adjusted to reflect the impacts of the E.B.R.O. 499-01 Rate Order and the Phase II cost study, is \$70.639 million.

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, 1999. Union shall implement these rates on the first billing cycle on or after May 1, 1999.
2. The rates pursuant to all contracts for interruptible service under Rates M5A, M7, T1, and Rates 16 and 25 shall be adjusted effective January 1, 1999 by the amounts set out in Appendix "C". Union shall implement these rates on the first billing cycle after May 1, 1999. Commencing June, 1999, subject to any contractual obligations, or such earlier date mutually agreed to, gas transactions will be conducted in energy units of measure with the exception of end-use consumption. To facilitate a transition period, Union's M12, M13, M16 and C1 exfranchise rate schedules and the storage rates in the 01A, 10, 20, 30, 100, R1, T1, and T3 rate schedules shall be expressed in dollars (or cents) per GJ (or MJ) and dollars (or cents) per 10^3m^3 (or m^3).
3. 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.

4. The prices payable by Union for gas purchases under buy/sell contracts with its customers are approved by the Board in accordance with Appendix "E".
5. The 1998 year end deferral account balances as set out in Appendix "F" totalling a credit of \$70.028 million shall be disposed in accordance with Appendix "G".
6. Union shall make the billing adjustment discussed in paragraph (1), to reflect the time lag between the effective date and the implementation date.
7. Union shall comply with the Board directives set out in Appendix "H".
8. Effective January 1, 1999, Union shall charge fees for the administration of direct purchase contracts for general service customers in accordance with the following:

Initial Processing fee per customer	\$ 2.25
Monthly fee per buy/sell and bundled t-service contract	\$ 40.00
Monthly per customer fee	\$ 0.08

9. Union is granted approval to close the following deferral accounts subsequent to the disposition of the amounts referred to in paragraph 5;

179-24	PGVA (Southern Operations Area)
179-34	C1 and M12 Transportation Net Revenue
179-36/37/94	Shared Services
179-39	C1 and M12 Storage Net Revenue
179-43	EBO 188
179-45	High Temperature Plastic Venting
179-46	Merger Costs
179-47	Customer Information Package
179-48	Utility Ancillary Services Studies
179-49	C1 Off-peak Storage
179-50	Other S&T Services
179-51	Stress Corrosion Cracking
179-52	UFG Methodology Studies

179-53	Ontario Capital Tax Reassessment
179-58	CIS Support Services Account
179-62	Deferred Income Tax Reclassification
179-63	Incremental Rental Water Heater Revenue
179-64	Storage Cost Accounting Change
179-65	Union Energy Support Services
179-82	Spot Transport (Northern and Eastern Operations Area)
179-85	Union Tolls

10. Union shall maintain the following deferral accounts in accordance with Appendices "T" through "W", respectively.

179-26	Deferred Customer Rebates/Charges
179-54	Ten Year Market Review
179-56	Comprehensive Customer Information Program
179-57	CIS Affiliate Payment Variance
179-59	Municipal Taxes
179-60	Direct Purchase Revenue and Payments
179-61	Deferred Year 2000 Costs
179-81	Spot Gas
179-83	Compressor Fuel Gas
179-84	TCPL Tolls
179-86	Centra Transmission Holdings Tolls
179-87	Centra Pipelines Minnesota Tolls
179-88	Transportation Capacity Assignment
179-89	Heating Value
179-98	TCPL Variance Charges (LBA)

11. Union shall maintain Deferral Account No. 179-38 under the new name of Energy Balancing to record differences between forecast and actual costs associated with energy balancing in the Southern Operations Area commencing January 1, 1999 in accordance with Appendix "X".

12. Union shall include in Deferral Account No. 179-80, differences between forecast and actual costs associated with all firm gas purchased at the Alberta border commencing January 1, 1999 in accordance with Appendix "Y".

13. Union shall establish Deferral Account No. 179-67 to record differences between forecast
SCGM-8, Document 4

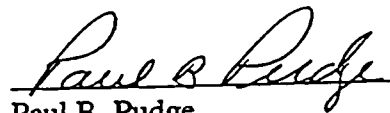
and actual per unit TCPL and fuel costs for the Southern Operations Area commencing January 1, 1999 in accordance with Appendix "Z".

14. Union shall establish Deferral Account No. 179-68 to record differences between forecast and actual costs associated with the landed per unit cost of all other supply for the Southern Operations Area less the amount recovered through delivery rates commencing January 1, 1999 in accordance with Appendix "AA". Amounts associated with inventory revaluations shall also be recorded in this account.
15. Union shall establish Deferral Account No. 179-69 to record differences between forecast and actual net revenues associated with transportation and exchange services commencing January 1, 1999 in accordance with Appendix "AB".
16. Union shall establish Deferral Account No. 179-70 to record differences between forecast and net revenues associated with balancing services commencing January 1, 1999 in accordance with Appendix "AC".
17. Union shall establish Deferral Account No. 179-71 to record differences between forecast and net revenue associated with short-term storage services commencing January 1, 1999 in accordance with Appendix "AD".
18. Union shall establish Deferral Account No. 179-72 to record differences between forecast and net revenue associated with long-term peak storage commencing January 1, 1999 in accordance with Appendix "AE".
19. Union shall establish Deferral Account No. 179-73 to record differences between forecast and net revenue associated with other S&T services commencing January 1, 1999 in accordance with Appendix "AF".

20. Union shall establish Deferral Account No. 179-74 to record differences between forecast and net revenue associated with other direct purchase services commencing January 1, 1999 in accordance with Appendix "AG".
21. Union shall establish Deferral Account No. 179-75 to record the margin impact of all DSM savings realized commencing January 1, 1999 in accordance with Appendix "AH".
22. Union shall pay Intervenors' reasonably incurred costs as authorized in the Board's supplemental E.B.R.O. 499 Decision With Reasons, forthwith upon receipt of the Board's Cost Orders.
23. Union shall pay the Board's costs of, and incidental to, this proceeding immediately upon receipt of the Board's invoice.

DATED at Toronto March 22, 1999.

ONTARIO ENERGY BOARD



Paul B. Pudge
Board Secretary



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/GJ per month for daily contract demand	Commodity Charge Rate/GJ for all gas handled or deemed to be handled	For Customers Providing Their Own Compressor Fuel		Commodity Charge Rate/GJ
			Fuel Ratio Apr-Oct	Fuel Ratio Nov-Mar	
<u>Storage</u>					
Space					
- Union Providing Deliverability Inventory (1)	\$0.016				
- Customer Providing Deliverability Inventory (1)	\$0.009				
<u>Deliverability</u>					
- Firm	\$0.918				
- Interruptible:					
Minimum	\$0.743				
Maximum	\$3.567				
- Injection		\$0.031	0.6%	0.6%	\$0.007
- Withdrawal		\$0.031	0.6%	0.6%	\$0.007
- Dehydration (2)		\$0.006			\$0.006
<u>Firm Transportation (3)</u>					
Without compression at Union's Dawn Compression Station ("Dawn")					
- Easterly Flow					
Dawn to Kirkwall	\$1.780	Monthly commodity rates and fuel ratios shall be in accordance with Schedule "C", page 1.			\$0.000
Dawn to Oakville/Parkway	\$2.209				\$0.000
With Dawn Compression					
- Easterly Flow					
Dawn to Kirkwall	\$2.155	Monthly commodity rates and fuel ratios shall be in accordance with Schedule "C", page 1.			\$0.000
Dawn to Oakville/Parkway	\$2.584				\$0.000
- Westerly Flow	n/a				\$0.000
Dawn Compression	\$0.375				
- Dehydration (2)					
- Tecumseh	\$0.049	\$0.006			\$0.006



uniongas

Effective
1999-01-01
Rate M12
Page 2 of 6

(C) Rates (cont'd)

	Monthly Demand Charge Rate/GJ per month for daily contract demand	Commodity Charge Rate/GJ for all gas handled or deemed to be handled	For Customers Providing Their Own Compressor Fuel		Commodity Charge Rate/GJ
			Fuel Ratio Apr-Oct	Nov-Mar	
<u>Limited Firm/Interruptible Transportation with Dawn Compression (3)</u>					
- Easterly Flow					
Minimum	\$1.292	Monthly commodity rates and fuel ratios shall be in accordance with Schedule "C", page 1.			\$0.000
Maximum	\$6.203		\$0.000		
<u>Firm Transportation Demand From Dawn to Kirkwall and Dawn to Oakville/Parkway Without LCU Protection</u>					
- Easterly Flow - Kirkwall					
Minimum	\$1.509	Monthly commodity rates and fuel ratios shall be in accordance with Schedule "C", page 1.			\$0.000
Maximum	\$6.203		\$0.000		
- Easterly Flow - Parkway					
Minimum	\$1.809	Monthly commodity rates and fuel ratios shall be in accordance with Schedule "C", page 1.			\$0.000
Maximum	\$6.203		\$0.000		

Authorized Overrun

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.

	Union Providing Fuel Commodity Charge Rate/GJ	For Customers Providing Their Own Compressor Fuel		Commodity Charge Rate/GJ
		Fuel Ratio Apr-Oct	Nov-Mar	
<u>Firm or Limited Firm/Interruptible or without LCU protection</u>				
<u>Storage Commodity:</u>				
Injection	\$ 0.075	1.0%	1.0%	\$ 0.038
Withdrawal	\$ 0.075	1.0%	1.0%	\$ 0.038
Dehydration - Tecumseh	\$ 0.007			\$ 0.007
Others	\$ 0.006			\$ 0.006
Dawn Compression	\$ 0.012			\$ 0.012
<u>Firm or Interruptible Transportation Commodity: (4)</u>				
<u>Without Dawn Compression - Easterly</u>				
Dawn to Kirkwall		Monthly commodity rates and fuel ratios shall be in accordance with Schedule "C", page 2.		\$ 0.059
Dawn to Oakville/Parkway				\$ 0.073
<u>With Dawn Compression - Easterly</u>				
Dawn to Kirkwall		Monthly commodity rates and fuel ratios shall be in accordance with Schedule "C", page 2.		\$ 0.071
Dawn to Oakville/Parkway				\$ 0.085
Westerly				\$ 0.085



(C) Rates (cont'd)

Unauthorized Overrun (4)

Authorized overrun rates payable on all quantities up to 2% in excess of Union's contractual obligation.
\$9.353/GJ for all usage on any day in excess of 102% of Union's contractual obligation.

Overrun of Maximum Storage Balance (the Excess Storage Balance)

The rate payable shall be \$0.935/GJ on the Excess Storage Balance during the period of September 1 through to and including November 30. The rate payable shall be \$0.094/GJ 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 \$0.056/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 customer (to be followed in writing) take possession of customer'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 charges.

Drafted Storage Balance

The rate payable shall be \$0.935/GJ on the Drafted Storage Balance during the period of February 1 through to and including April 30.

The rate payable shall be \$0.094/GJ 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 \$0.056/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 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.

Nomination Variances

Where Union and the customer 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) Deliverability inventory being defined as 20% of storage space.
- (2) Dehydration commodity charges are applicable to all quantities 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 YCRB 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 quantity do not apply to TCPL for quantities delivered directly by TCPL to Union, or to Union on behalf of Union's storage and transportation customers. Quantities delivered directly are defined as those quantities transported through TCPL's Northern Ontario pipeline systems.

(4) 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).

(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. The YCCR and YCR adjustments must be paid/remitted to/from customers within one billing cycle after invoicing.

$$YCR = \sum_1^7 [(0.003387 \times (QT1 + QT2 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \text{ For Apr. 1 to Oct. 31}$$

plus

$$\sum_8^{12} [(0.003387 \times (QT1 + QT2)) + (DWFxQT1) + F_{WT}] \text{ For Nov. 1 to Mar. 31}$$

$$YCRR = \sum_1^7 [(0.003387 \times (QT1 + QT2 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \times R \text{ For Apr. 1 to Oct. 31}$$

plus

$$\sum_8^{12} [(0.003387 \times (QT1 + QT2)) + (DWFxQT1) + F_{WT}] \times R \text{ For Nov. 1 to Mar. 31}$$

where: DSF = 0.00000 for Dawn fuel requirements
DWF = 0.0023 for Dawn 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.

1 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).

QT2 Monthly quantities in GJ transported easterly hereunder which may be required to be delivered to Dawn at not less than 5 860 kPa (no compression required at Dawn).

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



(D) Transportation Commodity (Cont'd)

F_{wr} The individual customer'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 customer's QT1 and QT2 monthly quantities 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 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 customer in the same proportion as the monthly quantity compressed for each user is to the total monthly quantity compressed for all users including Union.

F_{st} The individual customer'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 customer's quantity 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 \$/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 customers 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 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 quantity (the "Transportation Fuel Quantity") representing the customer'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 customer was different from the actual fuel quantity as calculated using the YCR formula, an adjustment will be made in May for the previous 12 months ending March 31st.

Storage Fuel

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

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

Storage Fuel Quantity = (Injection + Withdrawal Quantities) x Storage Fuel Ratio.

Nominations

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

(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".

Effective January 1, 1999
O.E.B. ORDER # E.B.R.O. 499 Chatham, Ontario
Supersedes E.B.R.O. 499-01B Rate Schedule effective January 1, 1999.



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	WDA
St. Clair	NDA
Dawn	SSMDA
Parkway	SWDA
Kirkwall	CDA
Bluewater	EDA

(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) 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), column 1.

(C) Rates (Note I)

Storage Service:

Commodity Charge
for both gas injected and
withdrawn from storage
Rate/GJ (Note II)

Short-Term (less than 2 years)

a)	Combined Storage Space and Interruptible Deliverability	\$ 0.009
	Minimum	\$ 2.363
	Maximum	
b)	Firm Deliverability	\$ 0.056
	Minimum	\$ 0.562
	Maximum	

Long-Term (2 years or more)

a)	Combined Storage Space and Interruptible Deliverability	\$ 0.374
	Minimum	\$ 2.363
	Maximum	
b)	Firm Deliverability	\$ 0.056
	Minimum	\$ 0.562
	Maximum	

Notes:

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



(C) Rates (Cont'd)

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,
 4. Competition, and
 5. Term.
- II. This rate may be applied in any combination of monthly demand charge, injection and/or withdrawal charge and take-or-pay charge. The resulting revenue divided by the space quantity under contract must yield an average rate that falls within the range.
- III. For purposes of determination of the long-term peak storage market premium, the benchmark, shall be the cost based rate at the time of the forecast.

Transportation Service:

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

	Demand Charge applied to daily contract demand <u>Rate/GJ/month</u>	Commodity Charge for all gas handled or deemed to be handled <u>Rate/GJ</u>
a) Firm Transportation Demand:		
Between:		
St. Clair & Dawn	\$ 0.997	
Ojibway & Dawn	\$ 0.997	
Bluewater & Dawn	\$ 0.997	
From:		
Parkway to Kirkwall	\$ 0.605	
Parkway to Dawn	\$ 0.605	
Dawn to Kirkwall with Dawn Compression	\$ 2.155	
Dawn to Parkway with Dawn Compression	\$ 2.584	
b) Short-Term (1 year or less) Firm Transportation Demand		
Minimum	\$ 0.498	
Maximum	\$ 6.203	
c) Firm Transportation Demand From Dawn to Kirkwall and Dawn to Parkway Without LCU Protection		
- Easterly Flow - Kirkwall		
Minimum	\$ 1.509	
Maximum	\$ 6.203	
- Easterly Flow - Parkway		
Minimum	\$ 1.809	
Maximum	\$ 6.203	
d) Firm Transportation Commodity:		
Between:		
St. Clair & Dawn		\$ 0.014
Ojibway & Dawn		\$ 0.041
Bluewater & Dawn		\$ 0.014
From:		
Parkway to Kirkwall		\$ 0.016
Parkway to Dawn		\$ 0.016
Dawn to Kirkwall		\$ 0.028
Dawn to Parkway		\$ 0.028
e) Interruptible Transportation Commodity:		
Minimum		N/A
Maximum		\$ 9.353
Dawn (Tecumseh) and Dawn (Facilities or TCPL)		\$ 0.007



(C) Rates (Cont'd)

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 quantities 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.

Overrun:

Authorized Overrun

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

	<u>Firm Service Rate/GJ</u>	<u>Interruptible Service Rate/GJ</u>
a) Storage		
Space		
September to November	\$0.935	
December to August	\$0.094	
Injection		
Minimum	\$0.005	
Maximum	\$2.363	
Withdrawal		
Minimum	\$0.005	
Maximum	\$2.363	
b) Transportation		
Firm		
Between:		
St. Clair & Dawn	\$0.047	
Ojibway & Dawn	\$0.074	
Bluewater & Dawn	\$0.047	
From:		
Parkway to Kirkwall	\$0.036	
Parkway to Dawn	\$0.036	
Dawn to Kirkwall	\$0.099	
Dawn to Parkway	\$0.113	
Interruptible		
Minimum		n/a
Maximum		\$9.353
Dawn (Tecumseh) and Dawn (Facilities or TCPL)		\$0.007

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

Unauthorized Overrun:

For all quantities on any Day in excess of Customer's contractual rights, for which authorization has not been received, Customer will be charged \$9.353 per GJ.



uniongas

Effective
1999-01-01
Rate C1
Page 4 of 4

(C) Rates (Cont'd)

Overrun of Maximum Storage Balance

The rate payable shall be \$0.935/GJ on the Excess Storage Balance during the period of September 1 through to and including November 30. The rate payable shall be \$0.094/GJ 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 \$0.056/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 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 \$0.935/GJ on the Drafted Storage Balance during the period of February 1 through to and including April 30.

The rate payable shall be \$0.094/GJ 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 \$0.056/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 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, 1999
O.E.B. ORDER # E.B.R.O. 499 Chatham, Ontario
Supersedes E.B.R.O. 499-01B Rate Schedule effective January 1, 1999.

Société en commandite Gaz Métropolitain
Évaluation de l'impact sur l'année 1998/9 de la réduction
des tarifs d'entreposage et de transport chez Union Gas (E.B.R.O. 499)
Impact du 1 janvier 1999 au 30 septembre 1999

No de Ligne	Description	Prix - \$/Gj			Tj	Frais d'entreposage au prix du		
		1er jan. 98	1er jan 99	Écart		1er jan. 98	1er jan 99	Réduction
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Union Gas – tarif M-12							
2	Prime fixes:							
3	Montant provenant des frais reportés					4 799 \$	4 799 \$	- \$
4	Espace	0.00827	0.00900	(0.00073)	67 932	562 \$	611 \$	(50) \$
5	Entreposage	1.11470	0.91800	0.19670	816	910 \$	749 \$	161 \$
6	Transport	2.89370	2.58400	0.30970	615	1 780 \$	1 588 \$	191 \$
7						<u>8 050 \$</u>	<u>7 748 \$</u>	<u>302 \$</u>
8	Frais d'injection:							
9	Entreposage	0.00575	0.00575	0.00000	16 368	94 \$	94 \$	- \$
10	Entreposage – "overrun"	0.04240	0.04240	0.00000	240	10 \$	10 \$	- \$
11	Transport vers l'ouest – "overrun"	0.09512	0.09512	0.00000	120	11 \$	11 \$	- \$
12	Fuel aux anciens ratio	3.72396	3.72396	0.00000	83	309 \$	309 \$	- \$
13	Augmentation des ratio de fuel	0.00000	3.72481	(3.72481)	0	- \$	- \$	- \$
14		<u>25.57773</u>	<u>25.57773</u>	<u>0.00000</u>	<u>16 608</u>	<u>425 \$</u>	<u>425 \$</u>	<u>- \$</u>
15	Frais de retraits							
16	Entreposage	0.00575	0.00700	(0.00125)	14 658	84 \$	103 \$	(18) \$
17	Entreposage – "overrun"	0.04240	0.03800	0.00440	1 950	83 \$	74 \$	9 \$
18	Transport vers l'est	0.00000	0.00000	0.00000	14 658	- \$	- \$	- \$
19	Transport vers l'est – "overrun"	0.09512	0.08500	0.01012	1 950	185 \$	166 \$	20 \$
20	Déshydratation	0.00424	0.00600	(0.00176)	4 603	20 \$	28 \$	(8) \$
21	Fuel aux anciens ratio	3.72396	3.72396	0.00000	192	715 \$	715 \$	- \$
22	Augmentation des ratio de fuel	0.00000	3.72396	(3.72396)	66	- \$	246 \$	(246) \$
23		<u>0.06545</u>	<u>0.08013</u>	<u>(0.01469)</u>	<u>16 608</u>	<u>1 087 \$</u>	<u>1 331 \$</u>	<u>(244) \$</u>
24	Ajustement					- \$	- \$	- \$
25		<u>0.57573</u>	<u>0.57221</u>	<u>0.00352</u>	<u>16 608</u>	<u>9 562 \$</u>	<u>9 503 \$</u>	<u>58 \$</u>
26	Union Gas – tarif C-1							
27	Prime fixes:							
28	St-Clair à Dawn	0.94550	0.99700	(0.05150)	193	182 \$	192 \$	(10) \$
29	Ojibway à Dawn	0.94550	0.99700	(0.05150)	336	318 \$	335 \$	(17) \$
30						<u>500 \$</u>	<u>527 \$</u>	<u>(27) \$</u>
31	Frais variables:							
32	St-Clair à Dawn	0.00739	0.01400	(0.00661)	0	- \$	- \$	- \$
33	Ojibway à Dawn	0.02772	0.04100	(0.01328)	0	- \$	- \$	- \$
34					0	- \$	- \$	- \$
35	Total frais de transport – tarif C-1					<u>500 \$</u>	<u>527 \$</u>	<u>(27) \$</u>
36	Total frais des tarifs M12 et C1					<u>10 062 \$</u>	<u>10 031 \$</u>	<u>31 \$</u>

Union Gas Limited

Invoice Number
99DE 03 4

Gaz Metropolitan and Company, L.P.
1717 du Havre
Montreal, Quebec
H2K 2X3
ATTENTION: Mrs. Viviane Fortin

DATE: 10-May-1999

(ACCT 141150)

Customer Copy - ORIGINAL

FIXED CHARGE INVOICE

Payment due on or before: **21-May-1999**

Period Beginning:
1-Apr-1999

Period Ending:
30-Apr-1999

STORAGE SERVICE:

Space Charge	600,000.0	at	\$0.329	per 10*3m*3	\$197,400.00
Deliverability Demand Charge	7,213.0	at	\$34.658	per 10*3m*3	\$249,988.15

TRANSPORTATION SERVICE:

Demand Chrg w/Compression-Dawn to Parkway	5,258.0	at	\$97.538	per 10*3m*3	\$512,854.80
C1, St. Clair to Dawn - Contract C1003	567.0	at	\$37.611	per 10*3m*3	\$21,325.44
C1, Ojibway to Dawn - Contract C1004	990.0	at	\$37.611	per 10*3m*3	\$37,234.89

OTHER:

C1 Rebate* (\$5,715.67)

ADJUSTMENTS:

Retroactive Rate Adjustments-see attached (\$329,156.52)
Retroactive C1 Rebate \$102,352.98
Disposition of Deferral Accounts *M12 97/98* (\$805,544.00) ✓

Sub-Total	(\$19,259.93)
Goods and Service Tax (#R119465367)	(\$1,348.20)
Total Amount Payable (Canadian Funds)	(\$20,608.13)

* C1 Rebate encompasses C1 Margin Rebate and C1 Margin Sharing of Off-Peak Storage and C1 Short Term Deliverability Rebate.

CREDIT AMOUNT WILL BE APPLIED
TO THE APRIL COMMODITY INVOICE.

COMMODITY INVOICE TO FOLLOW

Please remit payment via cable transfer to:

*The Canadian Imperial Bank of Commerce, 99 King Street West, Chatham, Ontario
For the Account of Union Gas Limited - Transit 010 00282 Account 3301*