RAPPORTS DES AGENCES DE NOTATION DE CRÉDIT

Au moment de déposer la mise à jour des pièces de la Cause tarifaire 2012, le rapport de l'agence de notation suivante n'était pas encore disponible :

- Standard & Poor's credit profile for Gaz Metro Inc. Gaz Metro L.P.

Le 31 août 2011, Gaz Métro a donc déposé en révision de la pièce Gaz Métro-7, Document 9 le dernier rapport de l'agence de notation « DBRS rating report for Gaz Metro Inc » daté du 12 mai 2011.

Dès que le nouveau rapport de l'agence Standard & Poor's sera disponible (attendu pour la fin septembre 2011) Gaz Métro le déposera en révision de la pièce Gaz Métro-7, Document 10.

Rating Report

Report Date:
May 12, 2011

Previous Report:
February, 4, 2010

DBRS

Insight beyond the rating.

Gaz Métro inc.

Analysts
Adeola Adebayo
+1 416 597 7421
aadebayo@dbrs.com

Yean (Kit) Kitnikone
+1 416 597 7325
kkitnikone@dbrs.com

The Company
The operations of Gaz Métro Limited Partnership (GMLP) include natural gas distribution in Québec and natural gas and electricity distribution in Vermont; transportation; storage of natural gas; energy services and other. Gas transportation operations include wholly owned Champion Pipeline, a 50% interest in Trans Québec & Maritimes Pipeline Inc. (TQM) and a 38.3% interest in Portland Natural Gas Transmission System (PNGTS). GMLP is 71% owned by Gaz Métro inc. (GMi), which is indirectly owned by Trencap, s.e.c (Trencap) (50.4%), Enbridge Inc. (Enbridge) (32.1%) and GDF-Suez (17.6%); and 29% owned by Valener Inc. which is publicly owned.

Recent Actions
June 22, 2010
Confirmed

Rating

Debt	Rating	Rating Action	Trend
Commercial Paper	R-1 (low)	Confirmed	Stable
First Mortgage Bonds*	A	Confirmed	Stable

*Guaranteed by Gaz Métro Limited Partnership

Rating Update

DBRS has confirmed the ratings of Gaz Métro inc.'s (GMi or the Company) First Mortgage Bonds and Commercial Paper at "A" and R-1 (low), respectively, both with Stable trends, based on the continued strong performance and stability of its principal operating entity, Gaz Métro Limited Partnership (GMLP or the Partnership), which guarantees the First Mortgage Bonds and a secured credit facility that backs up the commercial paper. GMi is the general partner of GMLP and serves as its financing entity, and the funds that it raises are loaned to the Partnership on similar terms and conditions.

In June 2010, DBRS confirmed the ratings of GMi following the announcement that all publicly held units of GMLP (representing a 29% interest in GMLP) would be exchanged for common shares of a new company named, Valener Inc. (Valener). GMLP became a privately held limited partnership and continues to maintain the flow of pre-tax cash flows to GMi and Valener. The reorganization resulted in no change with respect to GMi's 71% ownership interest in GMLP, GMI's status as GMLP's general partner, nor GMLP's guarantee of GMI's First Mortgage Bonds and its credit facility which backs up the commercial paper program. The stability rating on GMLP was subsequently discontinued following the closing of the transaction. (Continued on page 2.)

Rating Considerations

Strengths
(1) Low-risk gas distribution activities provide financial stability
(2) Strong operating cash flow finances capital expenditures and distributions
(3) Supportive regulatory environments
(4) Non-core assets provide geographic and operational diversification

Challenges
(1) Regulatory risk
(2) Limited organic growth in gas distribution activities
(3) Relative pricing of competitive energy sources

Financial Information

Gaz Métro Limited Partnership	12 mons. Ended	For the years ended September 30				
Consolidated	Dec. 31, 2010	2010	2009	2008	2007	2006
EBITDA interest coverage (times) *	3.77	3.88	3.90	3.70	3.74	3.90
Cash flow from operations / CAPEX (times)	2.25	2.39	2.33	2.66	2.51	1.82
Percent of total debt in capital structure	62.5%	66.7%	65.3%	66.1%	64.8%	60.8%
Cash flow from operations/ Total debt	18.6%	18.4%	19.8%	19.6%	18.5%	19.5%
Operating income ($ millions)	234	252	266	255	248	232
Net income ($ millions)	161	179	158	154	123	147
Cash flow from operations ($ millions)	326	344	354	360	314	280
Authorised total ROE for Québec gas distribution	9.09%	9.20%	8.94%	9.52%	9.57%	9.33%

* EBITDA does not reflect 38.3% ownership of PNGTS.

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Rating Update (Continued from page 1.)

A significant portion of the Partnership's earnings and cash flow continue to be generated from its regulated natural gas distribution activities in Québec and other regulated activities, with approximately 87% of its consolidated EBITDA derived from the natural gas and electricity distribution activities in Québec and Vermont. As such, regulation tends to have a significant impact on GMLP's financial performance as earnings remain sensitive to interest rates through approved return on equity (ROE) levels.

Even though the Partnership continues to have a good command of its regulatory processes in Québec and Vermont, and has been able to achieve incentive returns higher than the authorized rate of return, the 2011 rate case decision by the Régie de l'énergie (the Régie) saw GMLP's authorized ROE fall to 9.09% for the 2010-2011 fiscal year from 9.20% in the previous year. The decision had the effect of reducing GMLP's Quebec distribution activities distribution rates by 4.7%. GMLP's Quebec distribution activities have an incentive mechanism in place till September 2012 and have started negotiations with intervenors to put a new incentive mechanism in place in 2013.

The Partnership also continues to face limited organic growth in its gas distribution system in Québec, where the price of electricity in the residential market is low. However, the current level of natural gas prices has allowed GMLP to remain competitive in the albeit volatile industrial and commercial market, where regular and short term interruptible service sales remain high. In fiscal 2010, the Partnership experienced an overall rise in natural gas deliveries of 6% in the commercial and industrial market due to relatively favourable economic growth and low natural gas prices. The Partnership continues to pursue its efforts to increase natural gas market share in the residential markets, where margins are higher, thereby reducing its reliance on the more volatile industrial and commercial markets.

Currently, GMLP's core gas distribution business is mature, with 73% of its EBITDA derived solely from its gas distribution operations in Quebec as of September 30, 2010. DBRS therefore expects that GMLP will continue to explore ways to diversify its operations through targeted acquisitions with similar risk profile and new project developments with long-term agreements with creditworthy counterparties in order to grow and diversify its cash flows.

Some growth in earnings and cash flow could come from the completion of the $800 million 272 MW Seigneurie de Beaupré wind projects in Québec after 2013. Following the reorganization and in accordance with the option granted to it by GMLP, Valener acquired 49% interest of GMLP's 50% interest in the Seigneurie projects, thereby reducing the Partnership's future cash commitment and interest in the project to 25.5%. GMLP will be applying for construction permits, signing the final agreement with turbine supplier Enercon Canada Inc. (Enercon) and implementing appropriate financing in the coming months. The project is expected to be financed with 75% debt and 25% equity. DBRS expects that the Partnership will finance its share of the equity in the project in a manner that will keep its credit profile in line with current ratings.

The Partnership continues to generate strong cash flow from operations sufficient to internally finance both maintenance capital expenditures and distributions to its partners, which DBRS expects to continue. GMi has access to $545 million in term credit facilities, $400 million of which backs up its commercial paper program. The facility is also available to fund the Company's growth strategy. GMi will continue to turn to the capital markets to raise any financing it needs for major investment projects that are not part of its ongoing business requirements. In 2010 GMLP completed an anticipated $100 million unit offering, thereby reducing leverage back to historical levels.

Basis of Analysis

GMi as it is structured today came into existence via a corporate reorganization in 1991 that also established the funding parameters which are still in use. The Partnership assumed all of the obligations then outstanding under the First Mortgage Bonds, with the assets of the Partnership continuing to secure outstanding obligations. The agreement also established the terms of the subordinated debt at GMi, which is invested as equity into GMLP. Importantly, it established that failure to pay interest or principal on the subordinated debt would not cause either acceleration of that debt or a cross default to senior debt, hence the equity treatment.

GMi is the financing vehicle for GMLP, with funds raised loaned to GMLP on similar terms and conditions as those imposed on GMi. Given the mirror-like structure of the financing, the only substantive difference between the two entities is the subordinated debt at GMi and the guarantees that exist. DBRS's analysis will focus on the operations and credit of GMLP (see section below for a more complete description of operations).

Rating Considerations Details

Strengths

(1) Regulated gas distribution and transportation operations account for almost all earnings, and provide GMLP with significant cash flow stability. For the fiscal year ended September 30, 2010, approximately 73% of EBITDA is derived solely from gas distribution operations in Québec. These domestic gas distribution operations are permitted to utilize deferral accounts that smooth the earnings impact of: a) weather-induced revenue fluctuations in Québec; (b) expenses related to natural gas and electricity costs; and (c) interest rate fluctuations on floating-rate debt in Québec. DBRS notes that while these deferral accounts smooth income, they do not smooth the impact on cash flow from operations.

(2) GMLP continues to generate cash flow from operations that is sufficient to internally finance both its maintenance capital expenditures and distributions to its partners. DBRS expects this to continue over the medium to long term, with credit metrics expected to remain consistent with current levels.

(3) The Partnership continues to have good understanding of its regulatory processes in Québec and Vermont and has been able to achieve incentive returns higher than the approved rate or return. The Régie remains the most important regulatory body that GMLP deals with, and it has continued to maintain good relations with this regulator.

(4) GMLP continues to explore ways to diversify its operations in connection with its strategy to becoming an integrated energy provider. GMLP also continues to pursue the development of the 272 MW Seigneurie de Beaupré wind project (25.5% interest) in Québec, estimated to be in service by December 2013. The completion of this project will significantly diversify the Partnership's operations. Electricity supply agreements expiring on December 1, 2033, have also been signed with Hydro-Québec for the output from this project.

Challenges

(1) GMLP's earnings and cash flow are sensitive to interest rates through approved ROEs. A 25-basis point change in approved ROE for the Quebec Distribution Activity equates to approximately a $2.5 million impact on earnings. Furthermore, GMLP's cash flow is sensitive to changes in economic cycles on a medium-term basis, while weather impacts cash flow on a short-term basis. The rate stabilization account, however, mitigates weather-induced fluctuations on income in Québec. In 2010, approximately 48% of gas volumes were delivered to industrial customers that are most sensitive to economic conditions with lower margins.

(2) The overall growth outlook remains moderate, with limited organic growth potential in its regulated gas distribution system in Québec. However, the Partnership continues to seek ways to strengthen its key natural gas franchise in Québec and to grow its business through targeted acquisitions and project development.

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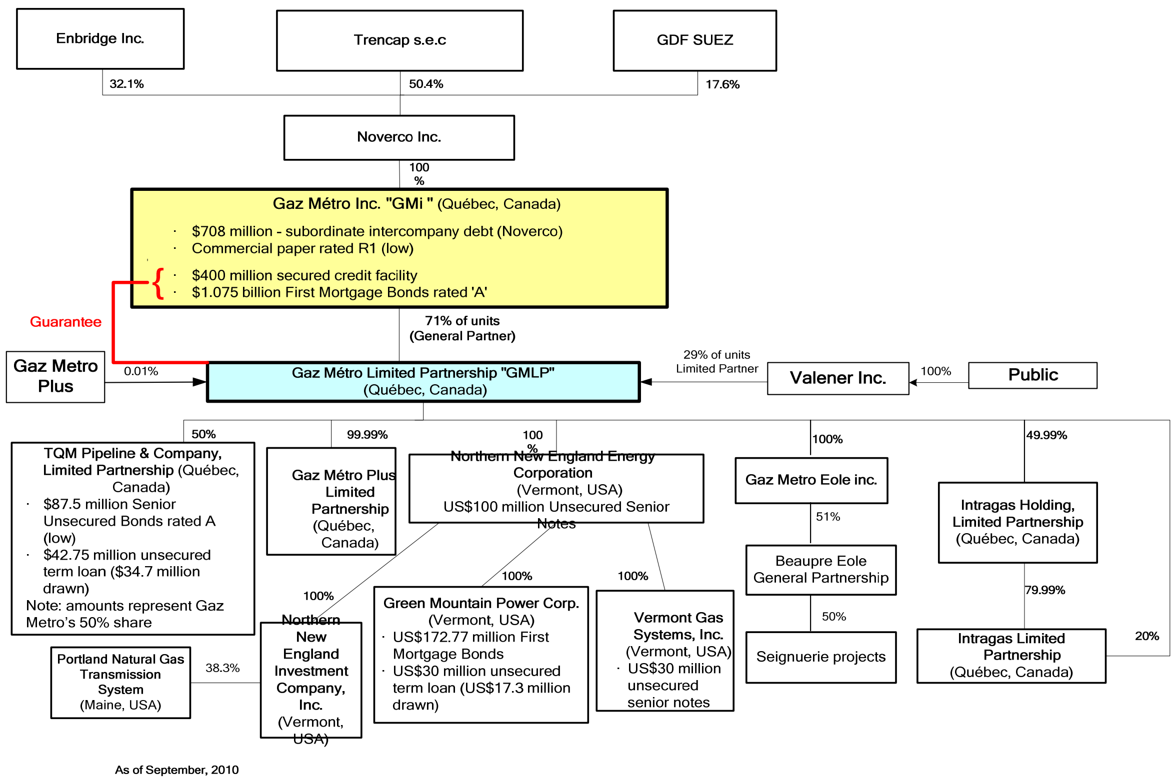
(3) Relative pricing of competitive energy sources impacts volume throughputs for the medium to longer term. The Company continues to look for ways to distribute greater volumes of gas and has had recent success with increased short- term interruptible service sales to industrial customers due to the favourable competitive position of natural gas compared to heavy fuel oil. Currently, the price of natural gas remains quite competitive in relation to the price of electricity or other sources of fuel. In the event that natural gas prices rise significantly, the Partnership's existing customers could reduce consumption or discontinue their use of natural gas, leading to upward pressure on distributions rates.

Organizational Chart



Note: On February 3, 2011, the Caisse de depot et placement du Quebec (which owns 51.1% of Trencap) and Enbridge Inc. announced their intention to purchase GDF Suez's interest in Noverco Inc. The transaction is expected to close later in 2011.

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Earnings and Outlook

Gaz Métro Limited Partnership

Consolidated	12 mons. Ended	For the years ended September 30				
($ millions)	Dec. 31, 2010	2010	2009	2008	2007	2006
Gross margin *	743.2	760.0	791.3	710.0	623.6	576.3
EBITDA †	408.0	426.5	458.9	426.2	403.0	369.5
Interest expense	108.4	109.9	117.6	115.2	107.7	94.7
Income taxes	(15.4)	(14.5)	13.7	11.3	32.5	11.9
Net Income	161.3	178.7	158.5	154.4	122.8	147.2

Segmented EBITDA		For the years ended September 30				
($ millions)		2010	2009	2008	2007	2006
Distribution ‡	87%	369.9	395.8	373.2	345.8	317.1
Transportation	9%	37.4	40.6	34.5	32.9	34.6
Storage †	3%	10.8	10.7	10.5	9.9	11.8
Energy services & other	4%	18.5	17.7	14.2	18.6	15.6
Non-allocated expenses & eliminations	-2%	(10.0)	(5.9)	(6.2)	(4.3)	(9.6)
Total EBITDA †		426.5	458.9	426.2	402.9	369.5

* Net of direct costs associated with the purchase of gas.

† EBITDA does not reflect 38.3% ownership of PNGTS.

‡ Reflects Québec and Vermont distribution. In 2010, approximately 73% of EBITDA was derived solely from Québec distribution operations.

Summary

- GMLP's gross margins and EBITDA declined in the last twelve months ended December 31, 2010, due to a decrease in the distribution rates combined with decrease in volume in the residential and commercial markets due to the adoption of a new method for establishing a normal temperature and a decrease in average rate base in its Quebec operations. This was partially offset by increased deliveries in the Quebec industrial market.
- The Partnership's earnings continue to be driven by the strength of its distribution activities, especially Québec gas distribution, which accounts for approximately 73% of GMLP's consolidated EBITDA.
- Earnings in the transportation sector continue to decline due to a declining rate base at TQM, and lower earnings from PNGTS following the loss of two of its major customers and long term contracts in recent years and the difficulty in reaching the same type of contracts with other customers to replace the lost volumes. PNGTS has filed an application with the FERC to get its tolls increased and is awaiting a decision.
- GMLP's interest expense declined from fiscal 2009 to fiscal 2010 due to the favourable impact of the Canadian dollar on its USD debt.

Outlook

- GMLP's gross margins for fiscal 2011 are expected to be modestly lower than fiscal 2010 due to the lower approved distribution rates, resulting from lower income taxes and capital taxes recovered from customers through rates and lower approved ROE of 9.09% compared to 9.20% in fiscal 2010 in its Quebec distribution activity and a lower rate base.
- The Partnership will continue to look for ways to achieving greater market penetration in the commercial and residential markets while controlling its costs.
- Over the medium term, GMLP's earnings are expected to remain stable with limited organic growth in the distribution activities in Québec. Over the longer term, DBRS expects potential growth from the 272 MW Seigneurie de Beaupré wind projects in Québec, which is expected to be in service by December 2013.

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Financial Profile

Gaz Métro Limited Partnership						
Consolidated Statement of Cash Flows	12 mons. ended	For the years ended September 30				
($ millions)	Dec. 31, 2010	2010	2009	2008	2007	2006
Net income before extras	161.3	178.7	158.5	154.4	122.8	147.2
Depreciation & amortization of def. charges	174.9	175.8	193.4	172.2	159.7	140.7
Other (future income taxes, adj. of equity income)	(10.3)	(10.6)	1.8	33.4	31.0	(8.0)
Cash flow from operations	325.8	343.9	353.7	360.0	313.5	279.9
Capital expenditures	(144.6)	(144.1)	(151.9)	(135.5)	(124.8)	(153.9)
Free cash flow before working capital changes	181.2	199.8	201.8	224.5	188.7	126.1
Reduction in def. charges related to gas costs	84.8	83.8	86.8	70.9	58.0	54.5
Rate stabilization	(35.8)	(35.6)	(13.2)	(15.9)	(21.8)	(37.1)
Working capital changes	(23.3)	(49.1)	57.1	(47.3)	48.9	12.1
Free cash flow before distributions	207.0	198.8	332.5	232.2	273.7	155.5
Distributions to Partners	(149.4)	(186.7)	(149.4)	(149.4)	(148.4)	(156.3)
Free cash flow after distributions	57.6	12.1	183.1	82.9	125.3	(0.7)
Acquisitions & Divestitures	(29.6)	(16.4)	(1.7)	(47.6)	(225.8)	14.6
Deferred charges & other	(87.7)	(78.5)	(112.8)	(154.8)	(108.9)	(37.0)
Cash flows before financing	(59.7)	(82.9)	68.5	(119.5)	(209.4)	(23.2)
Net debt financing	(49.1)	89.4	(46.8)	114.4	157.8	32.9
Net equity financing	99.9	-		0.2	50.1	0.1
Other financing	(1.5)	(1.3)	(0)			
Net change in cash	(10.4)	5.3	21.6	(5.0)	(1.5)	9.8
Key Ratios:						
Cash flow from operations to total debt	18.6%	18.4%	19.8%	19.6%	18.5%	19.5%
Percent of total debt in capital structure	62.5%	66.7%	65.3%	66.1%	64.8%	60.8%
Cash flow from operations/ CAPEX (times)	2.25	2.39	2.33	2.66	2.51	1.82
EBIT interest coverage (times) *	2.16	2.29	2.26	2.21	2.30	2.45
EBITDA interest coverage (times) *	3.77	3.88	3.90	3.70	3.74	3.90

* EBIT and EBITDA do not reflect GMLP's 38.3% ownership of PNGTS.

Summary

- GMLP continues to generate strong and stable cash flow that remain sufficient to cover both maintenance capital expenditures and cash distributions. Cash distributions for fiscal 2010 were higher at $187 million compared to $149 million in 2009, as five distributions were made compared to four.
- It is expected that the Partnership will continue to target a 100% distribution of its net income (excluding non-recurring items), but not less than 85% (subject to certain exceptions). The exceptions provide adequate credit protection, and in all likelihood, the potential for GMLP to need to reduce future distributions below 85% in order to protect credit quality is minimal. Over the past 15 years GMLP's distributions have averaged 100% of recurring net income and have never been below 90% in any one year.
- Maintenance capex is calculated as the equivalent of the lower of investments during the year in a particular sector or the sector amortization expense. The distribution segment representing about 91% of total maintenance capex. The year over year decline in capex can be attributed to the strength of the Canadian dollar on purchases of property, plant and equipment.
- Following the reorganization in the first quarter of fiscal 2011, GMLP issued $100 million of units, which was used to pay down debt, bringing its debt to capital ratio down to 62.5% (December 31, 2010) from 66.7% (September 30, 2010).

Outlook

- Though cash flow from operations is expected to remain strong in fiscal 2011, it will be modestly lower than fiscal 2010 as a result of lower approved ROE, lower income and capital taxes and lower rate base. However, it should be sufficient to fund maintenance capital expenditures and distributions to partners.
- Over the medium term, cash flow from operations is expected to remain stable, with very modest growth coming from new construction in its regulated activities in Québec and Vermont.
- The Partnership estimates that capex will total $170 million for 2011, with maintenance capex representing about 80% of this total. Development capex will include the equipment investments needed for the wind energy projects in Québec and growth initiative to begin to develop natural gas for the transportation industry as an alternative to diesel.

- A significant portion of GMLP's development capex will accrue to the development of its jointly owned Seigneurie de Beaupré wind projects in Québec (25.5% GMLP interest).
- The two wind power projects have a total installed capacity of 272 MW, and are expected to be in service by December 2013. It is expected that the project will require an investment of approx. $800 million to build access roads and install wind turbines during 2011, 2012 and 2013. Electricity supply agreements expiring on December 1, 2033, have also been signed with Hydro-Québec for the output from the project.
- The project has successfully passed the key environmental approval stage and the partners can proceed with other planned stages of the project such as applying for construction permits, signing the final agreement with Enercon (the turbine supplier) and implementing financing. The project is expected to be financed with 75% debt and 25% equity.
- DBRS expects the Partnership will continue to look at opportunities that have a similar risk profile (regulated and low risk) to diversify its cash flows, and at development projects with long-term agreements with creditworthy counterparties in order to grow its cash flow.
- Since issuing units in October 2010, GMLP has brought its debt-to-capital ratio back to comparable levels with that of previous years. The Partnership's credit metrics are expected to remain stable and in line with the current rating. However, GMi will continue to turn to the capital markets to raise any financing it needs for major investment projects that are not part of its ongoing business requirements.

Liquidity, Credit Facilities and Long-Term Debt

Debt Repayments as at Sep. 30, 2010	(CAD Millions)
Year	**Payment**
2011	68
2012	15
2013	407
2014	58
2015	30
Thereafter	1249
Total	1827

(CAD Millions) Credit Facilities as of Dec. 31, 2011	Amt	Drawn	Available	Expiry
Term credit facilities	545	234	311	2011-2017
Operating credit lines	143	45	98	

Long Term Debt as at Sep. 30, 2010	Maturity	Interest rate	Amt
Gaz Metro First mortgage bonds	2013-36	4.93%-10.45%	1075
NNEEC unsecured senior notes	2017-22	5.93%-6.12%	103
Vermont Gas Systems	2014-36	7.00%-7.62%	31
Green Mountain Power	2011-38	2.60%-9.64%	175
TQM	2014-17	3.91%-7.05%	88
Total			1471

Summary

- The Partnership has adequate credit facilities to support its operations. GMi has a $400 million commercial paper program that is fully backed by a $400 million term facility expiring in December 2012. This credit facility is guaranteed by GMLP. GMi had $126 million outstanding under its commercial paper program at the end of December 2010.
- The Company was in compliance with its bond covenants as of December 31, 2010, and DBRS believes that GMi and GMLP will be able to operate their business without being restricted by the covenants. It is significant to note that GMLP is restricted from incurring any new long-term debt that would cause the debt to capital ratio to exceed 65% and is restricted from paying distributions if the ratio of long-term debt to capital were to increase to greater than 75%.

Description of Operations

GMLP's operations are divided into following sectors: Energy Distribution; Transportation of Natural Gas; Storage of Natural Gas; and Energy Services and Other**.**

Energy Distribution includes the electricity distribution activities of GMP and the natural gas distribution activities in Québec and Vermont. The sector accounts for 87% of consolidated EBITDA in 2010.

- GMLP's core business is natural gas distribution in Québec, which delivers approximately 97% of the natural gas consumed in Québec, serving 182,258 customers as of September 30, 2010, and is one of the largest natural gas distributors in Canada. This activity is regulated by the Régie, which fixes the annual transportation, load balancing and distribution rates and the rate of return allowed on deemed common equity. Authorised rate of return on common equity for fiscal 2011 has been set at 9.09% on a rate base of $1772 million. The capital structure of the Quebec distribution activity is 54% debt, 38.5% equity and 7.5% preferred shares.
- VGS is the sole gas distributor in Vermont, with approximately 42,000 customers as of September 30, 2010 and is regulated by the VPSB under the cost of service framework. Approved ROE for 2011 is 10.25% with a capital structure of 45% debt, 55% equity.
- GMP is the second largest electric utility in the state of Vermont. It transports, distributes and sells electricity and provides electric network construction services in that state. Serving approximately 94,000 customers as of September 30, 2010, 93% of the electricity distributed by GMP is purchased from others and the remaining 7% is obtained through ownership interests in generation facilities. The company's activities are regulated by the VPSB under the cost of service framework. Approved ROE for 2011 is 9.45% with a capital structure of 48.3% debt, 51.7% equity.

Natural Gas Transportation includes a 50% interest in the TQM pipeline, 100% of the Champion pipeline and a 38.3% interest in PNGTS. This segment reflected about 8% of assets and contributed 9% of total EBITDA at the end of September 2010.

- TQM operates a gas pipeline in Québec that connects upstream with TransCanada PipeLines and downstream with PNGTS and GMLP. The Champion pipeline operates two gas pipelines that cross the Ontario-Quebec border to supply GMLP's distribution system in northwestern Québec. In Canada, transportation activities are regulated by the National Energy Board (NEB).
- PNGTS's pipeline originates at the Québec border and extends to the suburbs of Boston. In the United States, transportation activities are regulated by the FERC.

Natural Gas Storage: The Partnership owns an interest in the Intragaz Group, whose main activity is underground natural gas storage. This activity tallies with GMLP's mission because the storage of natural gas in Québec is part of its supply chain. The Intragaz Group operates the only two underground storage facilities in GMi's service territory in Québec. GMLP is also its only customer. Its rates are approved by the Régie on the basis of avoided costs. The sector represents 3% of total EBITDA for fiscal 2010.

Energy Services and Other includes non-regulated activities.

- Energy-related activities are focused on the maintenance and repair of residential, commercial and industrial equipment; the heating and cooling of large buildings; and the leasing of residential water heaters.
- Fibre-optic activities exist mainly in Montréal, Toronto and Ottawa through GMLP's 49.8% interest in MTO Telecom Inc.

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Consolidated Balance Sheet

($ millions)	Dec. 31	As at Sep. 30	
Assets	2010	2010	2009
Cash	29	51	49
Accounts receivable	320	174	114
Inventories	96	157	189
Prepaid expenses	9	9	8
Current Assets	454	392	360
Net fixed assets	2405	2408	2209
Deferred charges	430	484	413
Investments and other	232	213	195
Financial instruments	0	0	6
Intangible assets	150	150	124
Other long term assets	19	21	0
Total	3690	3667	3307

	Dec. 31	As at Sep. 30	
Liabilities & Equity	2010	2010	2009
Bank debt	65	49	52
Payables & Accruals	247	235	241
L.t.d. due in one year	60	68	219
Distributions payable	35		
Derivative instruments	73	108	
Current Liabilities	480	459	511
Deferred credits	250	247	29
Other Liabilities	220	219	201
Financial instruments	62	59	103
Long-term debt	1626	1750	1512
Partners' equity	1050	933	950
Shares of non-contr. Parts.	1	0	0
Total	3689	3667	3307

	12 mons. Ended	For the years ended September 30				
Balance Sheet Ratios	Dec. 31, 2010	2010	2009	2008	2007	2006
Current ratio (times)	0.95	0.85	0.70	0.89	1.23	1.08
Acc.depr. / Gross fixed assets	na	35.2%	39.3%	38.1%	36.9%	36.6%
Percent debt in capital structure	62.5%	66.7%	65.3%	66.1%	64.8%	60.8%
Payout Ratios						
Paid distributions / Cash avail. for dist.† ‡	71.2%	82.2%	63.9%	59.4%	70.0%	85.9%
Distributions / Net income †	92.6%	104.5%	94.3%	96.7%	120.8%	106.2%
Cash Flow Ratios						
CFO/ CAPEX (times)	2.25	2.39	2.33	2.66	2.51	1.82
(CFO- Distributions) / CAPEX (times)	1.22	1.09	1.35	1.55	1.32	0.80
CFO / Total debt	18.6%	18.4%	19.8%	19.6%	18.5%	19.5%
Coverage Ratios						
EBIT interest coverage (times) *	2.16	2.29	2.26	2.21	2.30	2.45
EBITDA interest coverage (times) *	3.77	3.88	3.90	3.70	3.74	3.90
Debt to EBITDA	4.29	4.38	3.89	4.31	4.20	3.88
Profitability Ratios						
Operating margin	31.5%	33.2%	33.7%	35.9%	39.7%	40.2%
Net margin	21.7%	23.5%	20.0%	21.7%	19.7%	25.5%
Return on partners' equity	16.3%	19.0%	16.8%	16.6%	13.3%	15.8%
Québec Gas Distribution Regulatory Stats.						
Authorised base ROE	9.09%	9.20%	8.76%	9.05%	8.73%	8.95%
Authorised total ROE	9.09%	9.20%	8.94%	9.52%	9.57%	9.33%
Deemed common equity	38.5%	38.5%	38.5%	38.5%	38.5%	38.5%
Average rate base ($ millions)	1772	1779	1807	1770.4	1,765.0	1,733.9
Gas Distribution Normalized Vols. (bcf)						
Firm industrial	65.2	65.6	62.8	80.0	103.1	79.4
Interruptible industrial	30.5	29.7	25.2	29.1	23.3	30.6
Commercial	80.1	81.4	77.7	80.0	77.7	66.1
Residential	23.1	23.5	24.3	24.5	25.1	25.7

* EBIT and EBITDA do not reflect 38.3% ownership of PNGTS.
† Level of distributions paid were reduced 9% in July 2006.
‡ DBRS defines 'Cash available for distribution' as Cash flow from operations less maintenance CAPEX, but before growth CAPEX and working capital changes. n.a. = not available

Gaz Métro inc.

Report Date:
May 12, 2011

Ratings

Debt	Rating	Rating Action	Trend
Commercial Paper	R-1 (low)	Confirmed	Stable
First Mortgage Bonds*	A	Confirmed	Stable

*Guaranteed by Gaz Métro Limited Partnership

Rating History

	Current	2010	2009	2008	2007	2006
Commercial Paper	R-1 (low)	R-1 (low)	R-1 (low)	R-1 (low)	R-1 (low)	R-1 (low)
First Mortgage Bonds	A	A	A	A	A	A

Related Research

- DBRS Confirms Gaz Métro inc. Following Reorganization Announcement, June 22, 2010.

Note:
All figures are in Canadian dollars unless otherwise noted.