



**EB-2012-0087**

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

**AND IN THE MATTER OF** an Application by Union  
Gas Limited for an Order or Orders amending or  
varying the rate or rates charged to customers as of  
October 1, 2012.

**BEFORE:** Karen Taylor  
Presiding Member

**DECISION AND RATE ORDER**  
**February 28, 2013**

**Introduction**

Union Gas Limited (“Union”) filed an application dated April 13, 2012 with the Ontario Energy Board (the “Board”) under section 36 of the *Ontario Energy Board Act, 1998*, S.O. c.15, Schedule B, for an order of the Board amending or varying the rate or rates charged to customers as of October 1, 2012 in connection with the sharing of 2011 earnings under the incentive rate mechanism approved by the Board as well as final disposition of 2011 year-end deferral account and other balances (the “Application”). The Board assigned file number EB-2012-0087 to the Application.

**The Proceeding**

The Board issued a Notice of Application and Procedural Order No. 1 on April 19, 2012 in which it adopted the intervenors in the EB-2011-0025 and EB-2011-0038 proceedings as intervenors in this proceeding. The Board also set out a timetable for the filing of interrogatories, responding to interrogatories, and for informing the Board regarding plans to file intervenor evidence.

In Procedural Order No. 2, dated June 27, 2012, the Board ordered a Technical Conference so that parties would have the opportunity to explore emerging issues such as the use of transportation contract attributes to yield shareholder margins.

The Board directed intervenors to file letters scoping the issues that will be pursued at the Technical Conference. The Board also ordered a Settlement Conference be held on August 28 and 29, 2012, which was subsequently rescheduled to August 21 and 22, 2012.

In Procedural Order No. 3, dated August 15, 2012, the Board determined that it would address the issue of Union's treatment of upstream transportation revenues in 2011 as a Preliminary Issue<sup>1</sup> in this proceeding and would issue a decision on it prior to the Settlement Conference.

The Board also noted that it would hold a Technical Conference on August 21, 2012 so that parties would have an opportunity for further discovery in this proceeding. The Technical Conference was convened on August 21, 2012 and concluded on the same day.

In Procedural Order No. 4, dated August 24, 2012, the Board set out the schedule for argument on the Preliminary Issue.

In Procedural Order No. 5, dated October 24, 2012, the Board established November 27, 2012 and November 29, 2012 as the dates for the Settlement Conference.

The Board issued its Decision and Order on the Preliminary Issue on November 19, 2012. The Settlement Conference was held, as scheduled in Procedural Order No.5, on November 27, 2012 and November 29, 2012.

In Procedural Order No. 6, the Board set out the schedule for filing of the Settlement Agreement. The Board also established December 21, 2012 as the date for cross-examination on any unsettled issues and for Union's oral Argument-in-Chief. In addition, the Board set out the timeline for the filing of Board staff and intervenor submissions and Union's reply argument on any remaining issues.

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<sup>1</sup> The Board defined the Preliminary Issue as follows: "Has Union treated the upstream transportation optimization revenues appropriately in 2011 in the context of Union's existing IRM framework?"

A partial Settlement Agreement was filed on December 14, 2012. At the oral hearing on December 21, 2012, the Board accepted the partial Settlement Agreement.

The Settlement Agreement included settlement for all issues with the exception of the balance in the Upstream Transportation FT-RAM Optimization Deferral Account (No. 179-130) and the wording for Account No. 179-130's Accounting Order.

In accordance with Procedural Order No. 6, the Board received submissions on the unsettled issues from: Board staff, the Federation of Rental-housing Providers of Ontario ("FRPO"), the London Property Management Association ("LPMA"), the Consumers Council of Canada ("CCC"), and the Canadian Manufacturers & Exporters ("CME"). The Board also received a reply submission from Union.

The Board issued its Decision and Order on the unsettled issues on February 5, 2013. In its Decision and Order, the Board directed Union to file a Draft Rate Order reflecting the Board's findings in the Decision and the approved Settlement Agreement. The Board also set out a process for Board staff and intervenors to file comments on the Draft Rate Order and for Union to respond to those comments.

Union filed the Draft Rate Order on February 11, 2013 in accordance with the February 5, 2013 Decision and Order. Board staff and LPMA filed comments on the Draft Rate Order and Union responded to those comments.

### **Comments on the Draft Rate Order**

The Board notes that it received comments on the Draft Rate Order from Board staff and LPMA. Board staff and LPMA submitted that the Draft Rate Order accurately reflects the Board's findings in its February 5, 2013 Decision and Order and the approved Settlement Agreement.<sup>2</sup>

In its comments, Board staff raised one minor concern in regards to the Draft Rate Order. Board staff noted that on Page 3 of the Draft Rate Order, in the "Board Orders" section, Union stated the following:

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<sup>2</sup> Board Staff Comments on Draft Rate Order, February 19, 2013 at p. 2 and LPMA Comments on Draft Rate Order, February 14, 2013 at p. 1.

Union shall combine the 2011 Deferral account balances, the 2011 Market Transformation Incentive amount, the 2011 Low-income Program Incentive amount, the 2011 earnings sharing amount and the 2012 DSM Settlement rate impacts for disposition. For General Service rate classes M1, M2, Rate 01 and Rate 10, Union shall dispose of the total balance prospectively for each of these rate classes through a temporary rate adjustment between April 1, 2013 and September 30, 2013 as set out in Appendix "D". For all other rate classes, Union shall apply the unit rates as a one-time adjustment as set out in Appendix "D".<sup>3</sup>

Board staff noted that Item 21 of the approved Settlement Agreement states:

The parties accept Union's proposal to dispose of balances prospectively over six months for the general service rate classes and as a one-time adjustment for ex-franchise rate classes. For in-franchise contract rate classes parties agree to dispose of 2011 earnings sharing and deferral account balances as a one-time adjustment. Customers in contract rate classes will, however, have the option of paying any amount owing for earnings sharing and deferral account clearance either immediately in full, or in a number of equal monthly instalments to a maximum of 6.<sup>4</sup>

Board staff submitted that the language in the "Board Orders" section of the Draft Rate Order, and cited above, should be updated as follows:

...For all other rate classes, Union shall apply the unit rates as a one-time adjustment as set out in Appendix "D". The Board notes that, in accordance with Item 21 of the Settlement Agreement, Union shall offer in-franchise contract rate class customers the option of paying any amount owing for earnings sharing and deferral account clearance either immediately in full, or in a number of equal monthly instalments to a maximum of 6.<sup>5</sup>

In addition, Board staff requested that Union advise, in its reply comments, how it plans to communicate the payment plan optionality to its in-franchise contract rate class customers.<sup>6</sup>

In its reply comments on the Draft Rate Order, Union stated that it has no concerns with the updated language suggested by Board staff. Union also stated the following with

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<sup>3</sup> Union Draft Rate Order, February 11, 2013 at p. 3.

<sup>4</sup> EB-2012-0087, Partial Settlement Agreement, December 14, 2012 at pp. 12-13.

<sup>5</sup> Board Staff Comments on Draft Rate Order, February 19, 2013 at p. 3.

<sup>6</sup> Ibid.

respect to communicating the payment options to its in-franchise contract rate class customers:

For contract customers in rate classes that are in a payment position with respect to the 2011 deferral disposition settlement, Union will issue a targeted e-mail communication from the customer's Account Manager. The e-mail communication will specify the amount of the 2011 disposition owing. Customers will be informed of the payment options as specified in the Settlement Agreement with payment options ranging from the customary one-time payment to payment in equal installments up to a maximum of 6. The customary one-time payment will be the default option. Customers will be instructed to respond by return e-mail to their Account Manager if selecting a payment option other than the default option.<sup>7</sup>

### **Board Findings on Draft Rate Order**

The Board accepts the Draft Rate Order as filed, subject to the revised wording suggested by Board staff and accepted by Union regarding the payment options for in-franchise contract customers. The Board finds that Union's plan for communicating the payment options to its in-franchise contract customers is appropriate.

The Board notes that the rates resulting from the Decision and approved Settlement Agreement in this proceeding shall be implemented on April 1, 2013 to align with other rate changes expected to result from the Quarterly Rate Adjustment Mechanism ("QRAM") proceeding.

### **Cost Awards**

The Board may grant cost awards to eligible parties pursuant to its power under section 30 of the *Ontario Energy Board Act, 1998*. When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of the Board's *Practice Direction on Cost Awards*. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied. The Board notes that filings related to cost awards shall be made in accordance with the schedule set out below.

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<sup>7</sup> Union Reply Comments on Draft Rate Order, February 22, 2013 at p. 1.

**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 April 1, 2013. Union shall implement these rates on the first billing cycle on or after April 1, 2013.
2. The deferral account balances totalling \$9.935 million payable to ratepayers as set out in Appendix "C", including interest up to March 31, 2013, are approved for disposition.
3. The earnings sharing amount totalling \$2.589 million payable to ratepayers as set out in Appendix "C", including interest up to March 31, 2013, is approved for disposition.
4. The 2011 Market Transformation Incentive amount of \$0.509 million and the Incremental Low-income Program Incentive amount of \$0.554 million recoverable from ratepayers as set out in Appendix "C", including interest up to March 31, 2013, are approved for disposition.
5. Union shall combine the 2011 Deferral account balances, the 2011 Market Transformation Incentive amount, the 2011 Low-income Program Incentive amount, the 2011 earnings sharing amount and the 2012 DSM Settlement rate impacts for disposition. For General Service rate classes M1, M2, Rate 01 and Rate 10, Union shall dispose of the total balance prospectively for each of these rate classes through a temporary rate adjustment between April 1, 2013 and September 30, 2013 as set out in Appendix "D". For all other rate classes, Union shall apply the unit rates as a one-time adjustment as set out in Appendix "D". The Board notes that, in accordance with Item 21 of the Settlement Agreement, Union shall offer in-franchise contract rate class customers the option of paying any amount owing for earnings sharing and deferral account clearance either immediately in full, or in a number of equal monthly instalments to a maximum of 6.
6. Union shall establish the Upstream Transportation FT-RAM Optimization Deferral Account (Deferral Account No. 179-130) in accordance with Appendix "E".

7. Eligible intervenors shall file with the Board and forward to Union their respective cost claims within 14 days of the date of this Decision.
8. Union shall file with the Board and forward to the intervenors any objections to the claimed costs of the intervenors within 21 days from the date of this Decision.
9. If Union objects to the intervenor costs, intervenors shall file with the Board and forward to Union any responses to any objections for cost claims within 28 days of the date of this Decision.
10. Union shall pay the Board's costs of, and incidental to, this proceeding immediately upon receipt of the Board's invoice.

All filings to the Board must quote file number **EB-2012-0087**, be made through the Board's web portal at <https://www.pes.ontarioenergyboard.ca/eservice>, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca). If the web portal is not available you may email your document to the [BoardSec@ontarioenergyboard.ca](mailto:BoardSec@ontarioenergyboard.ca). Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file seven paper copies. If you have submitted through the Board's web portal an e-mail is not required.

**ISSUED** at Toronto, February 28, 2013

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

**APPENDIX A**  
**RATE ORDER**  
**UNION GAS LIMITED**  
**EB-2012-0087**  
**February 28, 2013**  
**SUMMARY OF CHANGES TO SALES RATES**



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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
1	Monthly Charge - All Zones	\$21.00		\$21.00
	Monthly Delivery Charge - All Zones			
2	First 100 m <sup>3</sup>	9.7347		9.7347
3	Next 200 m <sup>3</sup>	9.2102		9.2102
4	Next 200 m <sup>3</sup>	8.8375		8.8375
5	Next 500 m <sup>3</sup>	8.4955		8.4955
6	Over 1,000 m <sup>3</sup>	8.2130		8.2130
7	Delivery - Price Adjustment (All Volumes)	0.4510 (1)	(0.1688)	0.2822 (2)
	Gas Transportation Service			
8	Fort Frances	4.9387		4.9387
9	Western Zone	5.5401		5.5401
10	Northern Zone	7.6275		7.6275
11	Eastern Zone	8.5153		8.5153
12	Transportation - Price Adjustment (All Zones)	1.0523 (3)	(5.5722)	(4.5199) (4)
	Storage Service			
13	Fort Frances	2.1507		2.1507
14	Western Zone	2.3910		2.3910
15	Northern Zone	3.2252		3.2252
16	Eastern Zone	3.5799		3.5799
17	Storage - Price Adjustment (All Zones)	0.2109 (5)		0.2109 (5)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	12.5811		12.5811
19	Western Zone	12.6353		12.6353
20	Northern Zone	12.7025		12.7025
21	Eastern Zone	12.7620		12.7620
22	Commodity and Fuel - Price Adjustment (All Zones)	(2.2022) (6)		(2.2022) (6)

Notes:

- (1) Includes a temporary credit of (0.0578) cents/m<sup>3</sup> for the period October 1, 2012 to March 31, 2013 and a temporary charge of 0.5088 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (2) Includes a temporary charge of 0.5088 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary credit of (0.2266) cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (3) Includes Prospective Recovery of 0.1719, 0.2735, 0.4323 and 0.2354 cents/m<sup>3</sup>, and a temporary credit of (0.0608) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (4) Includes Prospective Recovery of 0.1719, 0.2735, 0.4323 and 0.2354 cents/m<sup>3</sup>, a temporary credit of (0.0608) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013, and a temporary credit of (5.5722) cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (5) Includes a temporary charge of 0.2109 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (6) Includes Prospective Recovery of (0.7743), (0.6697), (0.8603) and 0.1307 cents/m<sup>3</sup>, and a temporary credit of (0.0286) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m <sup>3</sup>	7.7070		7.7070
3	Next 9,000 m <sup>3</sup>	6.2934		6.2934
4	Next 20,000 m <sup>3</sup>	5.4872		5.4872
5	Next 70,000 m <sup>3</sup>	4.9711		4.9711
6	Over 100,000 m <sup>3</sup>	3.0159		3.0159
7	Delivery - Price Adjustment (All Volumes)	0.2083 (1)	(4.5856)	(4.3773) (2)
	Gas Transportation Service			
8	Fort Frances	4.3170		4.3170
9	Western Zone	4.9184		4.9184
10	Northern Zone	7.0058		7.0058
11	Eastern Zone	7.8935		7.8935
12	Transportation - Price Adjustment (All Zones)	1.0341 (3)	(4.3856)	(3.3515) (4)
	Storage Service			
13	Fort Frances	1.2015		1.2015
14	Western Zone	1.4418		1.4418
15	Northern Zone	2.2760		2.2760
16	Eastern Zone	2.6307		2.6307
17	Storage - Price Adjustment (All Zones)	0.1201 (5)		0.1201 (5)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	12.5811		12.5811
19	Western Zone	12.6353		12.6353
20	Northern Zone	12.7025		12.7025
21	Eastern Zone	12.7620		12.7620
22	Commodity and Fuel - Price Adjustment (All Zones)	(2.1961) (6)		(2.1961) (6)

Notes:

- (1) Includes a temporary credit of (0.0540) cents/m<sup>3</sup> for the period October 1, 2012 to March 31, 2013 and a temporary charge of 0.2623 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (2) Includes a temporary charge of 0.2623 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary credit of (4.6396) cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (3) Includes Prospective Recovery of 0.1718, 0.2734, 0.4322 and 0.2353 cents/m<sup>3</sup>, and a temporary credit of (0.0786) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (4) Includes Prospective Recovery of 0.1718, 0.2734, 0.4322 and 0.2353 cents/m<sup>3</sup>, a temporary credit of (0.0786) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013, and a temporary credit of (4.3856) cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (5) Includes a temporary charge of 0.1201 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (6) Includes Prospective Recovery of (0.7743), (0.6697), (0.8603) and 0.1307 cents/m<sup>3</sup>, and a temporary credit of (0.0225) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
1	Monthly Charge	\$1,000.00		\$1,000.00
	Delivery Demand Charge			
2	First 70,000 m <sup>3</sup>	27.8179		27.8179
3	All over 70,000 m <sup>3</sup>	16.3583		16.3583
	Delivery Commodity Charge			
4	First 852,000 m <sup>3</sup>	0.5375		0.5375
5	All over 852,000 m <sup>3</sup>	0.3932		0.3932
	Monthly Gas Supply Demand Charge			
6	Fort Frances	21.7512		21.7512
7	Western Zone	35.0467		35.0467
8	Northern Zone	85.6936		85.6936
9	Eastern Zone	106.0700		106.0700
10	Gas Supply Demand - Price Adjustment (All Zones)	-		-
	Commodity Transportation 1			
11	Fort Frances	3.3924		3.3924
12	Western Zone	3.7291		3.7291
13	Northern Zone	4.8977		4.8977
14	Eastern Zone	5.3947		5.3947
15	Transportation 1 - Price Adjustment (All Zones)	1.1138 (1)		1.1138 (1)
	Commodity Transportation 2			
16	Fort Frances	0.1535		0.1535
17	Western Zone	0.2673		0.2673
18	Northern Zone	0.4138		0.4138
19	Eastern Zone	0.5393		0.5393
	Commodity Cost of Gas and Fuel			
20	Fort Frances	12.6040		12.6040
21	Western Zone	12.6583		12.6583
22	Northern Zone	12.7256		12.7256
23	Eastern Zone	12.7853		12.7853
24	Commodity and Fuel - Price Adjustment (All Zones)	(2.1736) (2)		(2.1736) (2)
	Bundled Storage Service (\$/GJ)			
25	Monthly Demand Charge	9.643		9.643
26	Commodity Charge	0.156		0.156
27	Storage Demand - Price Adjustment	-		-

Notes:

- (1) Includes Prospective Recovery of 0.1721, 0.2736, 0.4325 and 0.2356 cents/m<sup>3</sup>.  
 (2) Includes Prospective Recovery of (0.7743), (0.6697), (0.8603) and 0.1307 cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210	Rate Change	EB-2012-0087
		Approved January 1, 2013		Approved April 1, 2013
		Rate		Rate
		(a)	(b)	(c)
1	Monthly Charge	\$1,500.00		\$1,500.00
2	Delivery Demand Charge All Zones	15.3415		15.3415
3	Delivery Commodity Charge All Zones	0.2137		0.2137
4	Monthly Gas Supply Demand Charge			
5	Fort Frances	61.0900		61.0900
6	Western Zone	76.6014		76.6014
7	Northern Zone	135.6895		135.6895
8	Eastern Zone	159.4619		159.4619
8	Commodity Transportation 1			
9	Fort Frances	7.0154		7.0154
10	Western Zone	7.2679		7.2679
11	Northern Zone	8.1444		8.1444
12	Eastern Zone	8.5171		8.5171
12	Commodity Transportation 2			
13	Fort Frances	0.1535		0.1535
14	Western Zone	0.2673		0.2673
15	Northern Zone	0.4138		0.4138
16	Eastern Zone	0.5393		0.5393
16	Commodity Cost of Gas and Fuel			
17	Fort Frances	12.6040		12.6040
18	Western Zone	12.6583		12.6583
19	Northern Zone	12.7256		12.7256
20	Eastern Zone	12.7853		12.7853
20	Commodity and Fuel - Price Adjustment (All Zones)	(2.1736) (1)		(2.1736) (1)
21	Bundled Storage Service (\$/GJ)			
22	Monthly Demand Charge	9.643		9.643
23	Commodity Charge	0.156		0.156
23	Storage Demand - Price Adjustment	-		-

Notes:

(1) Includes Prospective Recovery of (0.7743), (0.6697), (0.8603) and 0.1307 cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210 Approved January 1, 2013 <u>Rate</u> (a)	<u>Rate</u> Change (b)	EB-2012-0087 Approved April 1, 2013 <u>Rate</u> (c)
	<u>Rate 25 - Large Volume Interruptible Service</u>			
1	Monthly Charge	\$375.00		\$375.00
2	Delivery Charge - All Zones Maximum	5.0882		5.0882
3	Gas Supply Charges - All Zones Minimum	14.3135		14.3135
4	Maximum	140.5622		140.5622

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210	Rate Change	EB-2012-0087
		Approved January 1, 2013		Approved April 1, 2013
		Rate		Rate
		(a)	(b)	(c)
	<u>Utility Sales</u>			
1	Commodity and Fuel	12.7620		12.7620
2	Commodity and Fuel - Price Adjustment	(2.1831) (1)	(1.7417)	(3.9248) (2)
3	Transportation	4.3997		4.3997
4	Total Gas Supply Commodity Charge	<u>14.9786</u>	<u>(1.7417)</u>	<u>13.2368</u>
	<u>M4 Firm Commercial/Industrial</u>			
5	Minimum annual gas supply commodity charge	4.8475		4.8475
	<u>M5A Interruptible Commercial/Industrial</u>			
6	Minimum annual gas supply commodity charge	4.8475		4.8475
	<u>Storage and Transportation Supplemental Services - Rate T1, Rate T2 &amp; Rate T3</u>	<u>\$/GJ</u>		<u>\$/GJ</u>
	Monthly demand charges: (\$/GJ)			
7	Firm gas supply service	63.325		63.325
8	Firm backstop gas	1.846		1.846
	Commodity charges:			
9	Gas supply	3.466		3.466
10	Backstop gas	4.957		4.957
11	Reasonable Efforts Backstop Gas	5.732		5.732
12	Supplemental Inventory	Note (3)		Note (3)
13	Supplemental Gas Sales Service (cents/m <sup>3</sup> )	20.1973		20.1973
14	Failure to Deliver	2.561		2.561
15	Discretionary Gas Supply Service (DGSS)	Note (4)		Note (4)

Notes:

- (1) Includes Prospective Recovery of (0.6712), (0.4624), (0.1104) and (0.8538) cents/m<sup>3</sup>, and a temporary credit of (0.0853) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (2) Includes Prospective Recovery of (0.6712), (0.4624), (0.1104) and (0.8538) cents/m<sup>3</sup>, a temporary credit of (0.0853) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013, and a temporary credit of (1.7417) cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (3) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted average cost of gas.
- (4) Reflects the "back to back" price plus gas supply administration charge.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
<u>Rate M1 - Small Volume General Service Rate</u>				
1	Monthly Charge	\$21.00		\$21.00
2	First 100 m <sup>3</sup>	3.7795		3.7795
3	Next 150 m <sup>3</sup>	3.5730		3.5730
4	All over 250 m <sup>3</sup>	3.0845		3.0845
5	Delivery - Price Adjustment (All Volumes)	(0.0054) (1)	0.5059	0.5005 (2)
6	Storage Service	0.7368		0.7368
7	Storage - Price Adjustment	(0.0513) (3)		(0.0513) (3)
<u>Rate M2 - Large Volume General Service Rate</u>				
8	Monthly Charge	\$70.00		\$70.00
9	First 1,000 m <sup>3</sup>	4.1416		4.1416
10	Next 6,000 m <sup>3</sup>	4.0653		4.0653
11	Next 13,000 m <sup>3</sup>	3.8379		3.8379
12	All over 20,000 m <sup>3</sup>	3.5650		3.5650
13	Delivery - Price Adjustment (All Volumes)	0.0355 (4)	0.7549	0.7904 (5)
14	Storage Service	0.7550		0.7550
15	Storage - Price Adjustment	0.0080 (6)		0.0080 (6)
<u>Rate M4 - Firm comm/ind contract rate</u>				
Monthly demand charge:				
16	First 8,450 m <sup>3</sup>	46.6239		46.6239
17	Next 19,700 m <sup>3</sup>	20.9050		20.9050
18	All over 28,150 m <sup>3</sup>	17.5631		17.5631
Monthly delivery commodity charge:				
19	First block	0.9621		0.9621
20	All remaining use	0.4243		0.4243
21	Delivery - Price Adjustment (All Volumes)	0.0002 (7)		0.0002 (7)
22	Minimum annual delivery commodity charge	1.1554		1.1554

Notes:

- (1) Includes Prospective Recovery of 0.0000, 0.0000, 0.0001, 0.0001, a temporary credit of (0.0485) cents/m<sup>3</sup> for the period October 1, 2012 to March 31, 2013 and a temporary charge of 0.0429 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (2) Includes Prospective Recovery of 0.0000, 0.0000, 0.0001, 0.0001, a temporary charge of 0.0429 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary charge of 0.4573 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (3) Includes a temporary credit of (0.0513) cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (4) Includes Prospective Recovery of 0.0000, 0.0000, 0.0001, 0.0001 and a temporary credit of (0.0473) cents/m<sup>3</sup> for the period October 1, 2012 to March 31, 2013 and a temporary charge of 0.0826 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (5) Includes Prospective Recovery of 0.0000, 0.0000, 0.0001, 0.0001, a temporary charge of 0.0826 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary charge of 0.7075 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (6) Includes a temporary charge of 0.0080 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (7) Includes Prospective Recovery of 0.0000, 0.0000, 0.0001 and 0.0001 cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
	<u>Rate M5A - interruptible comm/ind contract</u>			
	<u>Firm contracts</u> *			
1	Monthly demand charge	28.6252		28.6252
2	Monthly delivery commodity charge	1.9377		1.9377
3	Delivery - Price Adjustment (All Volumes)	0.0002 (1)		0.0002 (1)
	<u>Interruptible contracts</u> *			
4	Monthly Charge	\$690.00		\$690.00
	Daily delivery commodity charge:			
5	4,800 m <sup>3</sup> to 17,000 m <sup>3</sup>	2.9712		2.9712
6	17,000 m <sup>3</sup> to 30,000 m <sup>3</sup>	2.8413		2.8413
7	30,000 m <sup>3</sup> to 50,000 m <sup>3</sup>	2.7730		2.7730
8	50,000 m <sup>3</sup> to 70,000 m <sup>3</sup>	2.7251		2.7251
9	70,000 m <sup>3</sup> to 100,000 m <sup>3</sup>	2.6908		2.6908
10	100,000 m <sup>3</sup> to 140,870 m <sup>3</sup>	2.6571		2.6571
11	Delivery - Price Adjustment (All Volumes)	0.0002 (1)		0.0002 (1)
12	Annual minimum delivery commodity charge	3.1645		3.1645
	<u>Rate M7 - Special large volume contract</u>			
	<u>Firm</u>			
13	Monthly demand charge	25.3924		25.3924
14	Monthly delivery commodity charge	0.3206		0.3206
15	Delivery - Price Adjustment	0.0002 (1)		0.0002 (1)
	<u>Interruptible</u> *			
16	Monthly delivery commodity charge: Maximum	3.9455		3.9455
17	Delivery - Price Adjustment	0.0002 (1)		0.0002 (1)
	<u>Seasonal</u> *			
18	Monthly delivery commodity charge: Maximum	3.7014		3.7014
19	Delivery - Price Adjustment	0.0002 (1)		0.0002 (1)
	<u>Rate M9 - Large wholesale service</u>			
20	Monthly demand charge	15.1688		15.1688
21	Monthly delivery commodity charge	0.1990		0.1990
22	Delivery - Price Adjustment	0.0002 (1)		0.0002 (1)
	<u>Rate M10 - Small wholesale service</u>			
23	Monthly delivery commodity charge	5.1734		5.1734

Notes:

(1) Includes Prospective Recovery of 0.0000, 0.0000, 0.0001 and 0.0001 cents/m<sup>3</sup>.

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



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

Line No.	Particulars	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
	<u>Contract Carriage Service</u>			
	<u>Rate T1 - Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.011		0.011
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.624		1.624
3	Customer provides deliverability inventory	1.197		1.197
4	Firm incremental injection	1.197		1.197
5	Interruptible withdrawal	1.197		1.197
	Commodity charges:			
6	Withdrawal	0.030		0.030
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.030		0.030
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - customer provides fuel	0.395%		0.395%
	<u>Transportation (cents / m<sup>3</sup>)</u>			
11	Monthly demand charge first 28,150 m <sup>3</sup>	31.9554		31.9554
12	Monthly demand charge next 112,720 m <sup>3</sup>	22.0775		22.0775
	Firm commodity charges:			
13	Union provides compressor fuel - All volumes	0.1238		0.1238
15	Customer provides compressor fuel - All volumes	0.0712		0.0712
16				
	Interruptible commodity charges: *			
17	Maximum - Union provides compressor fuel	3.9455		3.9455
18	Maximum - customer provides compressor fuel	3.8929		3.8929
19	Transportation fuel ratio - customer provides fuel	0.250%		0.250%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
20	Injection / Withdrawals	0.108		0.108
21	Customer provides compressor fuel	0.061		0.061
22	Transportation commodity charge (cents/m <sup>3</sup> )	1.1743		1.1743
23	Customer provides compressor fuel	1.1218		1.1218
24	<u>Monthly Charge</u>	\$1,936.13		\$1,936.13

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

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

Line No.	Particulars	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
	<u>Contract Carriage Service</u>			
	<u>Rate T2 - Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.011		0.011
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.624		1.624
3	Customer provides deliverability inventory	1.197		1.197
4	Firm incremental injection	1.197		1.197
5	Interruptible withdrawal	1.197		1.197
	Commodity charges:			
6	Withdrawal	0.030		0.030
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.030		0.030
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - customer provides fuel	0.395%		0.395%
	<u>Transportation (cents / m<sup>3</sup>)</u>			
11	Monthly demand charge first 140,870 m <sup>3</sup>	20.1911		20.1911
12	Monthly demand charge all over 140,870 m <sup>3</sup>	10.6802		10.6802
	Firm commodity charges:			
13	Union provides compressor fuel - All volumes	0.0597		0.0597
15	Customer provides compressor fuel - All volumes	0.0078		0.0078
16				
	Interruptible commodity charges: *			
17	Maximum - Union provides compressor fuel	3.9455		3.9455
18	Maximum - customer provides compressor fuel	3.8936		3.8936
19	Transportation fuel ratio - customer provides fuel	0.247%		0.247%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
20	Injection / Withdrawals	0.108		0.108
21	Customer provides compressor fuel	0.061		0.061
22	Transportation commodity charge (cents/m <sup>3</sup> )	0.7235		0.7235
23	Customer provides compressor fuel	0.6716		0.6716
24	<u>Monthly Charge</u>	\$6,000.00		\$6,000.00

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

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

Line No.	Particulars	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
<u>Rate T3 - Storage and Transportation</u>				
<u>Storage (\$ / GJ)</u>				
Monthly demand charges:				
1	Firm space	0.011		0.011
2	Firm Injection/Withdrawal Right			
3	Union provides deliverability inventory	1.624		1.624
4	Customer provides deliverability inventory	1.197		1.197
5	Firm incremental injection	1.197		1.197
6	Interruptible withdrawal	1.197		1.197
Commodity charges:				
7	Withdrawal	0.030		0.030
8	Customer provides compressor fuel	0.008		0.008
9	Injection	0.030		0.030
10	Customer provides compressor fuel	0.008		0.008
11	Storage fuel ratio- Cust. provides fuel	0.395%		0.395%
<u>Transportation (cents / m<sup>3</sup>)</u>				
12	Monthly demand charge	9.3582		9.3582
13	Firm commodity charges			
14	Union supplies compressor fuel	0.0707		0.0707
15	Customer provides compressor fuel	0.0107		0.0107
16	Transportation fuel ratio- Cust. provides fuel	0.285%		0.285%
<u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges:				
17	Injection / Withdrawals	0.108		0.108
18	Customer provides compressor fuel	0.061		0.061
19	Transportation commodity charge (cents/m <sup>3</sup> )	0.3783		0.3783
20	Customer provides compressor fuel (cents/m <sup>3</sup> )	0.3184		0.3184
<u>Monthly Charge</u>				
21	City of Kitchener	\$20,371.35		\$20,371.35
22	Natural Resource Gas	\$3,127.21		\$3,127.21
23	Six Nations	\$1,042.40		\$1,042.40

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

Line No.	Particulars	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
	<u>U2 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
	Standard Storage Service (SSS)			
1	Combined Firm Space & Deliverability	0.024		0.024
	Standard Peaking Service (SPS)			
2	Combined Firm Space & Deliverability	0.116		0.116
3	Incremental firm injection right	1.041		1.041
4	Incremental firm withdrawal right	1.041		1.041
	Commodity charges:			
5	Injection customer provides compressor fuel	0.026		0.026
6	Withdrawal customer provides compressor fuel	0.026		0.026
7	Storage fuel ratio - Customer provides fuel	0.395%		0.395%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
8	Injection customer provides compressor fuel	0.060		0.060
9	Withdrawal customer provides compressor fuel	0.060		0.060

UNION GAS LIMITED  
Summary of Changes to Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
<u>M12 Transportation Service</u>				
<u>Firm Transportation</u>				
Monthly demand charges:				
1	Dawn to Kirkwall	2.011		2.011
2	Dawn to Parkway	2.382		2.382
3	Kirkwall to Parkway	0.372		0.372
4	F24-T	0.068		0.068
<u>M12-X Firm Transportation</u>				
5	Between Dawn, Kirkwall and Parkway	2.961		2.961
Commodity charges:				
6	Easterly	Note (1)		Note (1)
7	Westerly	Note (1)		Note (1)
8	Parkway (TCPL) to Parkway (Cons)	Note (1)		Note (1)
<u>Limited Firm/Interruptible</u>				
Monthly demand charges:				
9	Maximum	5.718		5.718
Commodity charges :				
10	Others	Note (1)		Note (1)
<u>Authorized Overrun</u>				
Transportation commodity charges:				
Easterly:				
11	Dawn to Kirkwall - Union supplied fuel	Note (1)		Note (1)
12	Dawn to Parkway - Union supplied fuel	Note (1)		Note (1)
13	Dawn to Kirkwall - Shipper supplied fuel	0.066 (1)		0.066 (1)
14	Dawn to Parkway - Shipper supplied fuel	0.078 (1)		0.078 (1)
15	Kirkwall to Parkway - Union supplied fuel	Note (1)		Note (1)
16	Kirkwall to Parkway - Shipper supplied fuel	0.012 (1)		0.012 (1)
17	Westerly - Union supplied fuel	Note (1)		Note (1)
18	Westerly - Shipper supplied fuel	0.078 (1)		0.078 (1)
M12-X Firm Transportation				
19	Between Dawn, Kirkwall and Parkway - Union supplied fuel	Note (1)		Note (1)
20	Between Dawn, Kirkwall and Parkway - Shipper supplied fuel	0.097 (1)		0.097 (1)
<u>M13 Transportation of Locally Produced Gas</u>				
21	Monthly fixed charge per customer station	\$926.60		\$926.60
22	Transmission commodity charge to Dawn	0.034		0.034
23	Commodity charge - Union supplies fuel	0.009		0.009
24	Commodity charge - Shipper supplies fuel	Note (2)		Note (2)
25	Authorized Overrun - Union supplies fuel	0.077		0.077
26	Authorized Overrun - Shipper supplies fuel	0.069		0.069

Notes:

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

UNION GAS LIMITED  
Summary of Changes to Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2011-0210 Approved January 1, 2013 Rate (a)	Rate Change (b)	EB-2012-0087 Approved April 1, 2013 Rate (c)
<u>M16 Storage Transportation Service</u>				
1	Monthly fixed charge per customer station	\$1,474.12		\$1,474.12
Monthly demand charges:				
2	East of Dawn	0.741		0.741
3	West of Dawn	1.059		1.059
4	Transmission commodity charge to Dawn	0.034		0.034
Transportation Fuel Charges to Dawn:				
5	East of Dawn - Union supplied fuel	0.009		0.009
6	West of Dawn - Union supplied fuel	0.009		0.009
7	East of Dawn - Shipper supplied fuel	Note (1)		Note (1)
8	West of Dawn - Shipper supplied fuel	Note (1)		Note (1)
Transportation Fuel Charges to Pools:				
9	East of Dawn - Union supplied fuel	0.009		0.009
10	West of Dawn - Union supplied fuel	0.024		0.024
11	East of Dawn - Shipper supplied fuel	Note (1)		Note (1)
12	West of Dawn - Shipper supplied fuel	Note (1)		Note (1)
<u>Authorized Overrun</u>				
Transportation Fuel Charges to Dawn:				
13	East of Dawn - Union supplied fuel	0.067		0.067
14	West of Dawn - Union supplied fuel	0.077		0.077
15	East of Dawn - Shipper supplied fuel	0.058 (1)		0.058 (1)
16	West of Dawn - Shipper supplied fuel	0.069 (1)		0.069 (1)
Transportation Fuel Charges to Pools:				
17	East of Dawn - Union supplied fuel	0.033		0.033
18	West of Dawn - Union supplied fuel	0.059		0.059
19	East of Dawn - Shipper supplied fuel	0.024 (1)		0.024 (1)
20	West of Dawn - Shipper supplied fuel	0.035 (1)		0.035 (1)
<u>C1 Storage &amp; Cross Franchise Transportation Service</u>				
<u>Transportation service</u>				
Monthly demand charges:				
21	St. Clair / Bluewater & Dawn	1.059		1.059
22	Ojibway & Dawn	1.059		1.059
23	Parkway to Dawn	0.579		0.579
24	Parkway to Kirkwall	0.579		0.579
25	Kirkwall to Dawn	1.021		1.021
26	Dawn to Kirkwall	2.011		2.011
27	Dawn to Parkway	2.382		2.382
28	Kirkwall to Parkway	0.372		0.372
29	Dawn to Dawn-Vector	0.029		0.029
30	Dawn to Dawn-TCPL	0.134		0.134
Short-term:				
31	Maximum	75.00		75.00
Commodity charges:				
32	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.014		0.014
33	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.011		0.011
34	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.016		0.016
35	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.024		0.024
36	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.009		0.009
37	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.015		0.015
38	Kirkwall to Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.009		0.009
39	Kirkwall to Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.009		0.009
40	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.041		0.041
41	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.017		0.017
42	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.054		0.054
43	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.029		0.029
44	Kirkwall to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.022		0.022
45	Kirkwall to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.021		0.021

Notes:

(1) Plus customer supplied fuel per rate schedule.

UNION GAS LIMITED  
Summary of Changes to Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2011-0210	Rate	EB-2012-0087
		Approved January 1, 2013	Change	Approved April 1, 2013
		Rate	(b)	Rate
		(a)		(c)
<u>C1 Storage &amp; Cross Franchise Transportation Service</u>				
<u>Transportation service cont'd</u>				
1	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
2	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (1)		Note (1)
3	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
4	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (1)		Note (1)
5	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
6	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (1)		Note (1)
7	Kirkwall to Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
8	Kirkwall to Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (1)		Note (1)
9	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
10	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (1)		Note (1)
11	Dawn to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
12	Dawn to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	Note (1)		Note (1)
13	Kirkwall to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
14	Kirkwall to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	Note (1)		Note (1)
15	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	n/a		Note (1)
16	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (1)		Note (1)
17	Dawn to Dawn-TCPL - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (1)		Note (1)
18	Dawn to Dawn-TCPL - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (1)		Note (1)
Interruptible commodity charges:				
19	Maximum		75.00	75.00
20	Dawn(Tecumseh), Dawn(Facilities or TCPL), Dawn (Vector) and Dawn	Note (1)		Note (1)
<u>Authorized Overrun</u>				
Firm transportation commodity charges:				
21	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.049		0.049
22	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.046		0.046
23	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.051		0.051
24	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.059		0.059
25	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.120		0.120
26	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.127		0.127
27	Kirkwall to Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.047		0.047
28	Kirkwall to Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.047		0.047
29	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.140		0.140
30	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.117		0.117
31	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.166		0.166
32	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.141		0.141
33	Kirkwall to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.068		0.068
34	Kirkwall to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.066		0.066
35	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.035 (1)		0.035 (1)
36	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.035 (1)		0.035 (1)
37	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.035 (1)		0.035 (1)
38	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.035 (1)		0.035 (1)
39	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.019 (1)		0.019 (1)
40	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.019 (1)		0.019 (1)
41	Kirkwall to Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.034 (1)		0.034 (1)
42	Kirkwall to Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.034 (1)		0.034 (1)
43	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.066 (1)		0.066 (1)
44	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.066 (1)		0.066 (1)
45	Dawn to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.078 (1)		0.078 (1)
46	Dawn to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	0.078 (1)		0.078 (1)
47	Kirkwall to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.012 (1)		0.012 (1)
48	Kirkwall to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	0.012 (1)		0.012 (1)
49	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.001 (1)		0.001 (1)
50	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.001 (1)		0.001 (1)
51	Dawn to Dawn-TCPL - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.004 (1)		0.004 (1)
52	Dawn to Dawn-TCPL - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.004 (1)		0.004 (1)
Short Term Firm transportation commodity charges:				
53	Maximum		75.00	75.00

Notes:

(1) Plus customer supplied fuel per rate schedule.

**APPENDIX B**  
**RATE ORDER**  
**UNION GAS LIMITED**  
**EB-2012-0087**  
**February 28, 2013**  
**GENERAL SERVICE RATE SCHEDULES**





RATE 01A - SMALL VOLUME GENERAL FIRM SERVICE

**ELIGIBILITY**

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

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

(a) **Sales Service**

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

(b) **Transportation Service**

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

(c) **Bundled Transportation Service**

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

**MONTHLY RATES AND CHARGES**

Zone Rate Schedule No.	<u>Fort Frances</u> 201	<u>Western</u> 101	<u>Northern</u> 301	<u>Eastern</u> 601
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$21.00	\$21.00	\$21.00	\$21.00
<u>DELIVERY CHARGE</u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>
First 100 m <sup>3</sup> per month @	9.7347	9.7347	9.7347	9.7347
Next 200 m <sup>3</sup> per month @	9.2102	9.2102	9.2102	9.2102
Next 200 m <sup>3</sup> per month @	8.8375	8.8375	8.8375	8.8375
Next 500 m <sup>3</sup> per month @	8.4955	8.4955	8.4955	8.4955
Over 1,000 m <sup>3</sup> per month @	8.2130	8.2130	8.2130	8.2130
Delivery-Price Adjustment (All Volumes)	0.2822 (1)	0.2822 (1)	0.2822 (1)	0.2822 (1)

Notes:

(1) The Delivery - Price Adjustment is composed of a temporary charge of 0.5088 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary credit of 0.2266 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.



**uniongas**

Effective  
2013-04-01  
**Rate 01A**  
Page 2 of 2

ADDITIONAL CHARGES FOR SALES SERVICE

**GAS SUPPLY CHARGES**

Gas Supply Charge (if applicable)

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

**MONTHLY BILL**

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

**MINIMUM MONTHLY BILL**

The Minimum Monthly Bill shall be the Monthly Charge.

**DELAYED PAYMENT**

The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the bill if full payment is not received by the late payment effective date, which is 20 days after the bill has been issued.

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

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

Effective

April 1, 2013  
O.E.B. Order # EB-2012-0087

Chatham, Ontario

Supersedes EB-2011-0210 Rate Schedule effective January 1, 2013.



RATE 10 - LARGE VOLUME GENERAL FIRM SERVICE

**ELIGIBILITY**

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

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

(a) **Sales Service**

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

(b) **Transportation Service**

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

(c) **Bundled Transportation Service**

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

**MONTHLY RATES AND CHARGES**

Zone	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
Rate Schedule No.	210	110	310	610
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$70.00	\$70.00	\$70.00	\$70.00
<u>DELIVERY CHARGE</u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>
First 1,000 m <sup>3</sup> per month @	7.7070	7.7070	7.7070	7.7070
Next 9,000 m <sup>3</sup> per month @	6.2934	6.2934	6.2934	6.2934
Next 20,000 m <sup>3</sup> per month @	5.4872	5.4872	5.4872	5.4872
Next 70,000 m <sup>3</sup> per month @	4.9711	4.9711	4.9711	4.9711
Over 100,000 m <sup>3</sup> per month @	3.0159	3.0159	3.0159	3.0159
Delivery-Price Adjustment (All Volumes)	(4.3773) (1)	(4.3773) (1)	(4.3773) (1)	(4.3773) (1)

Notes:

- (1) The Delivery - Price Adjustment is composed of a temporary charge of 0.2623 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary credit of 4.6396 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.



ADDITIONAL CHARGES FOR SALES SERVICE

**GAS SUPPLY CHARGES**

Gas Supply Charge (if applicable)

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

**MONTHLY BILL**

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

**MINIMUM MONTHLY BILL**

The Minimum Monthly Bill shall be the Monthly Charge.

**DELAYED PAYMENT**

The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the bill if full payment is not received by the late payment effective date, which is 20 days after the bill has been issued.

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

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

Effective

April 1, 2013  
O.E.B. Order # EB-2012-0087

Chatham, Ontario

Supersedes EB-2011-0210 Rate Schedule effective January 1, 2013.



Union Gas Limited  
Northern and Eastern Operations Area  
Gas Supply Charges

(A) Availability

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

(B) Applicability:

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

(C) Rates

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 01A (cents / m<sup>3</sup>)</u>				
Storage	2.1507	2.3910	3.2252	3.5799
Storage - Price Adjustment (2)	0.2109	0.2109	0.2109	0.2109
Commodity and Fuel (1)	12.5811	12.6353	12.7025	12.7620
Commodity and Fuel - Price Adjustment (3)	(2.2022)	(2.2022)	(2.2022)	(2.2022)
Transportation	4.9387	5.5401	7.6275	8.5153
Transportation - Price Adjustment (4)	(4.5199)	(4.5199)	(4.5199)	(4.5199)
Total Gas Supply Charge	<u>13.1593</u>	<u>14.0552</u>	<u>17.0440</u>	<u>18.3460</u>

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

Storage	1.2015	1.4418	2.2760	2.6307
Storage - Price Adjustment (5)	0.1201	0.1201	0.1201	0.1201
Commodity and Fuel (1)	12.5811	12.6353	12.7025	12.7620
Commodity and Fuel - Price Adjustment (6)	(2.1961)	(2.1961)	(2.1961)	(2.1961)
Transportation	4.3170	4.9184	7.0058	7.8935
Transportation - Price Adjustment (7)	(3.3515)	(3.3515)	(3.3515)	(3.3515)
Total Gas Supply Charge	<u>12.6720</u>	<u>13.5680</u>	<u>16.5567</u>	<u>17.8587</u>

Notes:

- (1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1933 cents/m<sup>3</sup>.
- (2) Includes a temporary charge of 0.2109 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (3) Includes a temporary credit of 0.0286 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (4) Includes a temporary credit of 0.0608 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013, and a temporary credit of 5.5722 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (5) Includes a temporary charge of 0.1201 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (6) Includes a temporary credit of 0.0225 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.
- (7) Includes a temporary credit of 0.0786 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013, and a temporary credit of 4.3856 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.



Union Gas Limited  
Northern and Eastern Operations Area  
Gas Supply Charges

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 20 (cents / m<sup>3</sup>)</u>				
Commodity and Fuel (1)	12.6040	12.6583	12.7256	12.7853
Commodity and Fuel - Price Adjustment	(2.1736)	(2.1736)	(2.1736)	(2.1736)
Commodity Transportation - Charge 1	3.3924	3.7291	4.8977	5.3947
Transportation 1 - Price Adjustment	1.1138	1.1138	1.1138	1.1138
Commodity Transportation - Charge 2	0.1535	0.2673	0.4138	0.5393
Monthly Gas Supply Demand	21.7512	35.0467	85.6936	106.0700
Gas Supply Demand - Price Adjustment	-	-	-	-
Commissioning and Decommissioning Rate	4.1748	5.3411	9.6355	11.3980
<u>Rate 100 (cents / m<sup>3</sup>)</u>				
Commodity and Fuel (1)	12.6040	12.6583	12.7256	12.7853
Commodity and Fuel - Price Adjustment	(2.1736)	(2.1736)	(2.1736)	(2.1736)
Commodity Transportation - Charge 1	7.0154	7.2679	8.1444	8.5171
Commodity Transportation - Charge 2	0.1535	0.2673	0.4138	0.5393
Monthly Gas Supply Demand	61.0900	76.6014	135.6895	159.4619
Commissioning and Decommissioning Rate	5.9635	6.8653	10.0998	11.4478
<u>Rate 25 (cents / m<sup>3</sup>)</u>				
Gas Supply Charge:				
Interruptible Service				
Minimum	14.3135	14.3135	14.3135	14.3135
Maximum	140.5622	140.5622	140.5622	140.5622

Notes:

(1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1933 cents/m<sup>3</sup>.

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O.E.B. Order # EB-2012-0087

Chatham, Ontario

Supersedes EB-2011-0210 Rate Schedule effective January 1, 2013.



SMALL VOLUME GENERAL SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

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

**(C) Rates**

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

a)	Monthly Charge		\$21.00	
b)	Delivery Charge			
	First	100 m <sup>3</sup>	3.7795 ¢ per m <sup>3</sup>	
	Next	150 m <sup>3</sup>	3.5730 ¢ per m <sup>3</sup>	
	All Over	250 m <sup>3</sup>	3.0845 ¢ per m <sup>3</sup>	
	Delivery – Price Adjustment (All Volumes)		0.5005 ¢ per m <sup>3</sup>	(1)
c)	Storage Charge (if applicable)		0.7368 ¢ per m <sup>3</sup>	
	Storage - Price Adjustment (All Volumes)		(0.0513) ¢ per m <sup>3</sup>	(2)

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

d) Gas Supply Charge (if applicable)

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

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

(1) The Delivery - Price Adjustment includes a temporary charge of 0.0429 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary charge of 0.4573 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.

(2) The Storage - Price Adjustment includes a temporary credit of 0.0513 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.

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

Combination of readings from several meters may be authorized by the Company and the Company will not reasonably withhold authorization in cases where meters are located on contiguous pieces of property of the same owner not divided by a public right-of-way.

**(E) Delayed Payment**

The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the bill if full payment is not received by the late payment effective date, which is 20 days after the bill has been issued.



**(F) Direct Purchase**

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

**(G) Overrun Charge**

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. The customer may pay 4.5164 ¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup>.

**(H) Bundled Direct Purchase Delivery**

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

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

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

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

Effective

April 1, 2013  
O.E.B. Order # EB-2012-0087

Chatham, Ontario

Supersedes EB-2011-0210 Rate Schedule effective January 1, 2013.





LARGE VOLUME GENERAL SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To general service customers whose total consumption is greater than 50,000 m<sup>3</sup> per year.

**(C) Rates**

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

a)	Monthly Charge		\$70.00	
b)	Delivery Charge			
	First	1 000 m <sup>3</sup>	4.1416 ¢ per m <sup>3</sup>	
	Next	6 000 m <sup>3</sup>	4.0653 ¢ per m <sup>3</sup>	
	Next	13 000 m <sup>3</sup>	3.8379 ¢ per m <sup>3</sup>	
	All Over	20 000 m <sup>3</sup>	3.5650 ¢ per m <sup>3</sup>	
	Delivery – Price Adjustment (All Volumes)		0.7904 ¢ per m <sup>3</sup>	(1)
c)	Storage Charge (if applicable)		0.7550 ¢ per m <sup>3</sup>	
	Storage - Price Adjustment (All Volumes)		0.0080 ¢ per m <sup>3</sup>	(2)
d)	Gas Supply Charge (if applicable)			

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

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

- (1) The Delivery - Price Adjustment includes a temporary charge of 0.0826 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013 and a temporary charge of 0.7075 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (2) The Storage - Price Adjustment includes a temporary charge of 0.0080 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013.

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

Combination of readings from several meters may be authorized by the Company and the Company will not reasonably withhold authorization in cases where meters are located on contiguous pieces of property of the same owner not divided by a public right-of-way.

**(E) Delayed Payment**

The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the bill if full payment is not received by the late payment effective date, which is 20 days after the bill has been issued.



**(F) Direct Purchase**

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

**(G) Overrun Charge**

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. The customer may pay 4.8967 ¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup>.

**(H) Bundled Direct Purchase Delivery**

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

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

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

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

Effective

April 1, 2013  
O.E.B. Order # EB-2012-0087

Chatham, Ontario

Supersedes EB-2011-0210 Rate Schedule effective January 1, 2013.



Effective  
2013-04-01  
Schedule "A"

**Gas Supply Charges**

**(A) Availability:**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability:**

To all sales customers served under Rate M1, Rate M2, Rate M4, Rate M5A, Rate M7, Rate M9, Rate M10 and storage and transportation customers taking supplemental services under Rate T1, Rate T2 and Rate T3.

**(C) Rates:**

cents / m<sup>3</sup>

Utility Sales

Commodity and Fuel	12.7620 (1)
Commodity and Fuel - Price Adjustment	(3.9248) (2)
Transportation	4.3997
<b>Total Gas Supply Commodity Charge</b>	<b>13.2368</b>

Minimum Annual Gas Supply Commodity Charge

Rate M4 Firm and Rate M5A Interruptible Contract 4.8475

Storage and Transportation Supplemental Services - Rate T1, Rate T2 & Rate T3

\$/GJ

Monthly demand charges:	
Firm gas supply service	63.325
Firm backstop gas	1.846
Commodity charges:	
Gas supply	3.466
Backstop gas	4.957
Reasonable Efforts Backstop Gas	5.732
Supplemental Inventory	Note (3)
Supplemental Gas Sales Service (cents / m <sup>3</sup> )	20.1973
Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails	2.561
Discretionary Gas Supply Service (DGSS)	Note (4)

Notes:

- (1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1933 cents/ m<sup>3</sup>.
- (2) Includes a temporary credit of 0.0853 cents/m<sup>3</sup> for the period February 1, 2013 to December 31, 2013, and a temporary credit of 1.7417 cents/m<sup>3</sup> for the period April 1, 2013 to September 30, 2013.
- (3) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted average cost of gas.
- (4) Reflects the "back to back" price plus gas supply administration charge.

Effective: April 1, 2013  
O.E.B. Order # EB-2012-0087

Chatham, Ontario

Supersedes EB-2011-0210 Rate Schedule effective January 1, 2013.

**APPENDIX C**

**RATE ORDER**

**UNION GAS LIMITED**

**EB-2012-0087**

**February 28, 2013**

**DEFERRAL ACCOUNT BALANCES, MARKET TRANSFORMATION INCENTIVE  
AND INCREMENTAL LOW-INCOME INCENTIVE AMOUNTS FOR DISPOSITION**

UNION GAS LIMITED  
Deferral Account Balances, Market Transformation Incentive and Incremental Low-Income Incentive  
Year Ended December 31, 2011 with interest accrued to March 31, 2013

Line No.	Account Number	Account Name	Balance (\$000's)	(1)
<u>Gas Supply Accounts:</u>				
1	179-108	Unabsorbed Demand Costs Variance Account	(5,989)	
2	179-130	Upstream Transportation FT-RAM Optimization	(19,295)	
3	Total Gas Supply Accounts (Lines 1 + 2)		(25,284)	(2)
<u>Storage Accounts:</u>				
4	179-70	Short-Term Storage and Other Balancing Services	4,221	
<u>Other:</u>				
5	179-26	Deferred Customer Rebates/Charges	-	
6	179-75	Lost Revenue Adjustment Mechanism	2,046	
7	179-103	Unbundled Services Unauthorized Storage Overrun	-	
8	179-111	Demand Side Management Variance Account	3,138	
9	179-112	Gas Distribution Access Rule (GDAR) Costs	-	
10	179-113	Late Payment Penalty Litigation	1,855	
11	179-115	Shared Savings Mechanism	9,841	
12	179-117	Carbon Dioxide Offset Credits	-	
13	179-118	Average Use Per Customer	(5,198)	
14	179-120	IFRS Conversion Costs	341	
15	179-121	Cumulative Under-recovery – St. Clair Transmission Line	-	
16	179-122	Impact of Removing St. Clair Transmission Line from Rates	-	
17	179-123	Conservation Demand Management	(219)	
18	179-124	Harmonized Sales Tax	(677)	
19	Total Other Accounts (Lines 5 through 18)		11,127	
20	Total Deferral Account Balances (Lines 3 + 4 + 19)		(9,935)	
21	Market Transformation Incentive		509	
22	Incremental Low-Income Program		554	
24	<b>Total Deferral Account Balances and Market Transformation Incentive and Low-Income Incentive</b>		<b>(8,872)</b>	
25	<b>Earnings Sharing</b>		<b>(2,589)</b>	

Notes:

(1) Account balances include interest to March 31, 2013

(2) With the exception of UDC (No. 179-108) and FT-RAM (179-130), all gas supply-related deferral account balances are disposed through the QRAM process.

**APPENDIX D**

**RATE ORDER**

**UNION GAS LIMITED**

**EB-2012-0087**

**February 28, 2013**

**UNIT RATES FOR PROSPECTIVE RECOVERY / (REFUND) & ONE-TIME  
ADJUSTMENT, AND STORAGE AND TRANSPORTATION SERVICE (EX-  
FRANCHISE) AMOUNTS FOR DISPOSITION**

UNION GAS LIMITED  
 General Service Unit Rates for Prospective Recovery/(Refund) - Delivery  
2011 Deferral Account Disposition, Market Transformation, Incremental Low-income Incentive, 2011 Earnings Sharing Mechanism and 2012 DSM Settlement Rate Impacts

Line No.	Particulars	Rate Class	2011 Deferral Balances (\$000's) (a)	2011 Market Transformation Incentive (\$000's) (b)	2011 Incremental Low Income Program (\$000's) (c)	2011 Earnings Sharing Mechanism (\$000's) (d)	2012 DSM Settlement Rate Impacts (\$000's) (e)	Balance for Disposition (\$000's) (f) = (a+b+c+d+e)	Forecast Volume (10 <sup>3</sup> m <sup>3</sup> ) (1) (g)	Unit Rate for Prospective Recovery/(Refund) (cents/m <sup>3</sup> ) (h) = (f/g)*100
1	Small Volume General Service	01	430	72	81	(445)	(537)	(399)	175,996	(0.2266)
2	Large Volume General Service	10	(3,638)	-	-	(82)	(118)	(3,838)	82,732	(4.6396)
3	Small Volume General Service	M1	5,965	437	473	(1,039)	(2,834)	3,002	656,466	0.4573
4	Large Volume General Service	M2	1,412	-	-	(158)	224	1,478	208,905	0.7075

Notes:

(1) Forecast volume for the period April 1, 2013 to September 30, 2013.

UNION GAS LIMITED  
 General Service Unit Rates for Prospective Recovery/(Refund) - Gas Supply Transportation  
2011 Deferral Account Disposition, Market Transformation, Incremental Low-income Incentive, 2011 Earnings Sharing Mechanism and 2012 DSM Settlement Rate Impacts

Line No.	Particulars	Rate Class	2011 Deferral Balances (\$000's) (a)	2011 Market Transformation Incentive (\$000's) (b)	2011 Incremental Low Income Program (\$000's) (c)	2011 Earnings Sharing Mechanism (\$000's) (d)	2012 DSM Settlement Rate Impacts (\$000's) (e)	Balance for Disposition (\$000's) (f) = (a+b+c+d+e)	Forecast Volume (10 <sup>3</sup> m <sup>3</sup> ) (1) (g)	Unit Rate for Prospective Recovery/(Refund) (cents/m <sup>3</sup> ) (h) = (f/g)*100
1	Small Volume General Service	01	(9,807)	-	-	-	-	(9,807)	175,996	(5.5722)
2	Large Volume General Service	10	(3,616)	-	-	-	-	(3,616)	82,454	(4.3856)

Notes:

(1) Forecast volume for the period April 1, 2013 to September 30, 2013.



UNION GAS LIMITED  
 Unit Rates for Prospective Recovery/(Refund) - Gas Supply Commodity  
2011 Deferral Account Disposition, Market Transformation, Incremental Low-income Incentive, 2011 Earnings Sharing Mechanism and 2012 DSM Settlement Rate Impacts

Line No.	Particulars	Rate Class	2011 Deferral Balances (\$000's) (a)	2011 Market Transformation Incentive (\$000's) (b)	2011 Incremental Low Income Program (\$000's) (c)	2011 Earnings Sharing Mechanism (\$000's) (d)	2012 DSM Settlement Rate Impacts (\$000's) (e)	Balance for Disposition (\$000's) (f) = (a+b+c+d+e)	Forecast Volume (10 <sup>3</sup> m <sup>3</sup> ) (1) (g)	Unit Rate for Prospective Recovery/(Refund) (cents/m <sup>3</sup> ) (h) = (f/g)*100
1	North Sales Service	-	-	-	-	-	-	-	-	-
2	South Sales Service		(150)	-	-	-	-	(150)	607,752	(0.0246)
3	Small Volume General Service	M1	(8,731)	-	-	-	-	(8,731)	508,469	(1.7171)
4	Large Volume General Service	M2	(1,538)	-	-	-	-	(1,538)	89,545	(1.7171)
5	Firm Com/Ind Contract	M4	(98)	-	-	-	-	(98)	5,679	(1.7171)
6	Interruptible Com/Ind Contract	M5	(70)	-	-	-	-	(70)	4,048	(1.7171)
7	Small Wholesale	M10	(0)	-	-	-	-	(0)	11	(1.7171)

Notes:

(1) Forecast sales service volumes for the period April 1, 2013 to September 30, 2013.

**UNION GAS LIMITED**  
 Contract Unit Rates for One-Time Adjustment - Delivery  
2011 Deferral Account Disposition, Market Transformation, Incremental Low-income Incentive, 2011 Earnings Sharing Mechanism and 2012 DSM Settlement Rate Impacts

Line No.	Particulars	Rate Class	2011 Deferral Balances (\$000's) (a)	2011 Market Transformation Incentive (\$000's) (b)	2011 Incremental Low Income Program (\$000's) (c)	2011 Earnings Sharing (\$000's) (d)	2012 DSM Settlement Rate Impacts (\$000's) (e)	Balance for Disposition (\$000's) (f) = (a+b+c+d+e)	2011 Actual Volume (10 <sup>3</sup> m <sup>3</sup> ) (g)	Unit Rate (cents/m <sup>3</sup> ) (h) = (f/g)*100
<u>Northern and Eastern Operations Area:</u>										
1	Medium Volume Firm Service (1)	20	(96)	-	-	(8)	(3)	(106)	111,535	(0.0951)
2	Medium Volume Firm Service (2)	20T	(336)	-	-	(35)	(12)	(382)	520,888	(0.0734)
3	Large Volume High Load Factor (2)	100T	(323)	-	-	(56)	303	(76)	1,892,682	(0.0040)
4	Wholesale Service	77	(0)	-	-	(0)	-	(0)	-	-
5	Large Volume Interruptible	25	(4)	-	-	(19)	-	(23)	157,093	(0.0145)
<u>Southern Operations Area:</u>										
6	Firm Com/Ind Contract	M4	(613)	-	-	(42)	216	(439)	442,313	(0.0993)
7	Interruptible Com/Ind Contract	M5	3,424	-	-	(26)	1,195	4,593	510,466	0.8997
8	Special Large Volume Contract	M7	515	-	-	(26)	236	725	257,391	0.2815
9	Large Wholesale	M9	13	-	-	(2)	-	11	60,100	0.0178
10	Small Wholesale	M10	1	-	-	(0)	-	0	192	0.2406
11	Contract Carriage Service	T1	8,585	-	-	(128)	1,330	9,787	4,541,959	0.2155
12	Contract Carriage- Wholesale	T3	139	-	-	(15)	-	123	264,032	0.0467

Notes:

- (1) Sales and Bundled-T customers only.
- (2) T-service customers only.

UNION GAS LIMITED

Contract Unit Rates for One-Time Adjustment - Gas Supply Transportation and Bundled Storage

2011 Deferral Account Disposition, Market Transformation, Incremental Low-income Incentive, 2011 Earnings Sharing Mechanism and 2012 DSM Settlement Rate Impacts

Line No.	Particulars	Rate Class	Billing Units	2011 Deferral Balances (\$000's)	2011 Market Transformation Incentive (\$000's)	2011 Incremental Low Income Program (\$000's)	2011 Earnings Sharing (\$000's)	2012 DSM Settlement Rate Impacts (\$000's)	Balance for Disposition (\$000's)	2011 Actual Volume/Demand	Unit Volumetric/Demand Rate
				(a)	(b)	(c)	(d)	(e)	(f) = (a+b+c+d+e)	(g)	(h) = (f/g)*100
<u>Gas Supply Transportation (cents/m<sup>3</sup>)</u>											
1	Medium Volume Firm Service	20	10 <sup>3</sup> m <sup>3</sup> /d	(1,108)	-	-	-	-	(1,108)	6,055	(18.2993)
2	Large Volume Interruptible	25	10 <sup>3</sup> m <sup>3</sup>	(167)	-	-	-	-	(167)	39,271	(0.4253)
<u>Storage (\$/GJ)</u>											
3	Bundled-T Storage Service	20T/100T	GJ/d	50	-	-	-	-	50	155,904	0.321

UNION GAS LIMITED

Storage and Transportation Service Amounts for Disposition

2011 Deferral Account Disposition, Market Transformation, Incremental Low-income Incentive, 2011 Earnings Sharing Mechanism and 2012 DSM Settlement Rate Impacts

Line No.	Particulars (\$000's) (1)	Rate Class	2011 Deferral Balances (\$000's) (a)	2011 Market Transformation Incentive (\$000's) (b)	2011 Incremental Low Income Program (\$000's) (c)	2011 Earnings Sharing (\$000's) (d)	2012 DSM Settlement Rate Impacts (\$000's) (e)	Balance for Disposition (\$000's) (f) = (a+b+c+d+e)
1	Storage and Transportation	M12	(149)	-	-	(504)	-	(654)
2	Local Production	M13	(0)	-	-	(0)	-	(1)
3	Short-Term Cross Franchise	C1	(26)	-	-	(2)	-	(28)
4	Storage Transportation Service	M16	1	-	-	(1)	-	1

Notes:

(1) Exfranchise M12, M13, M16 and C1 customer specific amounts determined using approved deferral account allocation methodologies.

**APPENDIX E**

**RATE ORDER**

**UNION GAS LIMITED**

**EB-2012-0087**

**February 28, 2013**

**ACCOUNTING ORDER FOR UPSTREAM TRANSPORTATION FT-RAM  
OPTMIZATION ACCOUNT NO. 179-130**

**UNION GAS LIMITED**

**Accounting Entries for  
Upstream Transportation FT-RAM Optimization  
Deferral Account No. 179-130**

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

Debit	-	Account No. 579 Miscellaneous Operating Revenue
Credit	-	Account No. 179-130 Other Deferred Charges – Upstream Transportation FT-RAM Optimization

To record as a credit in Deferral Account No. 179-130 the ratepayer portion of net revenues related to FT-RAM optimization as ordered by the Board in EB-2012-0087. Net revenue is defined as FT-RAM optimization revenue less related third party costs and incremental compressor fuel and UFG costs directly attributable to the provision of FT-RAM optimization transportation services.

Debit	-	Account No. 323 Other Interest Expense
Credit	-	Account No. 179-130 Other Deferred Charges – Upstream Transportation FT-RAM Optimization

To record, as a credit in Deferral Account No. 179-130, interest on the balance in Deferral Account No. 179-130. Simple interest will be computed monthly upon finalization of the year- end balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.