



TRANSPORTATION RATES

(A) **Applicability**

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

Applicable Points

Dawn as a receipt point: Dawn (TCPL), Dawn (Facilities), Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE).

Dawn as a delivery point: Dawn (Facilities).

(B) **Services**

Transportation Service under this rate schedule shall be for transportation on Union's Dawn - Trafalgar facilities.

(C) **Rates**

The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

	Monthly Demand Charge (applied to daily contract demand) <u>Rate/GJ</u>	Commodity and Fuel Charges Fuel Ratio %	Commodity Charge <u>AND</u> <u>Rate/GJ</u>
<u>Firm Transportation (1)</u>			
Dawn to Parkway	\$2.382	Monthly fuel rates and ratios shall be in accordance with schedule "C".	
Dawn to Kirkwall	\$2.011		
Kirkwall to Parkway	\$0.372		
Parkway to Dawn	n/a		
<u>M12-X Firm Transportation</u>			
Between Dawn, Kirkwall and Parkway	\$2.961	Monthly fuel rates and ratios shall be in accordance with schedule "C".	
<u>Limited Firm/Interruptible Transportation (1)</u>			
Dawn to Parkway – Maximum	\$5.718	Monthly fuel rates and ratios shall be in accordance with schedule "C".	
Dawn to Kirkwall – Maximum	\$5.718		
Parkway (TCPL) to Parkway (Cons) (2)		0.153%	

Authorized Overrun (3)

Authorized overrun rates will be payable on all quantities in excess of Union's obligation on any day. The overrun charges payable will be calculated at the following rates. Overrun will be authorized at Union's sole discretion.

	If Union supplies fuel Commodity Charge <u>Rate/GJ</u>	Commodity and Fuel Charges Fuel Ratio %	Commodity Charge <u>AND</u> <u>Rate/GJ</u>
Transportation Overrun			
Dawn to Parkway		Monthly fuel rates and ratios shall be in accordance with schedule "C".	\$0.078
Dawn to Kirkwall			\$0.066
Kirkwall to Parkway			\$0.012
Parkway to Dawn			\$0.078
Parkway (TCPL) Overrun (4)	n/a	0.648%	n/a
M12-X Firm Transportation			
Between Dawn, Kirkwall and Parkway		Monthly fuel rates and ratios shall be in accordance with schedule "C".	\$0.097



(C) Rates (Cont'd)

Unauthorized Overrun

Authorized Overrun rates will be payable on all quantities up to 2% in excess of Union's contractual obligation.

The Unauthorized Overrun shall be the higher of the reported daily spot price of gas at either Dawn, Parkway, Niagara or Iroquois in the month of or the month following the month in which the overrun occurred plus 25% for all usage on any day in excess of 102% of Union's contractual obligation.

Nomination Variances

Where Union and the shipper have entered into a Limited Balancing Agreement ("LBA"), the rate for unauthorized parking or drafting which results from nomination variances shall equal the "Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff.

Notes for Section (C) Rates:

- (1) The annual transportation commodity charge is calculated by application of the YCRR Formula, as per Section (D). The annual transportation fuel required is calculated by application of the YCR Formula, as per Section (D).
- (2) This rate is for westerly transportation within the Parkway yard, from Parkway (TCPL) to Parkway (Cons) or Lisgar.
- (3) For purposes of applying the YCRR Formula or YCR Formula (Section (D)) to transportation overrun quantities, the transportation commodity revenue will be deemed to be equal to the commodity charge of the applicable service as detailed in Section (B).
- (4) This ratio will be applied to all gas quantities for which Union is obligated to deliver to Parkway (Cons) or Lisgar and has agreed to deliver to Parkway (TCPL) on an interruptible basis. This will be in addition to any rate or ratio paid for transportation easterly to Parkway (Cons) or Lisgar.
- (5) A demand charge of \$0.068/GJ/day/month will be applicable for customers contracting for firm all day transportation service in addition to the demand charges appearing on this schedule for firm transportation service to either Kirkwall or Parkway

(D) Transportation Commodity

The annual fuel charge in kind or in dollars for transportation service in any contract year shall be equal to the sum of the application of the following equation applied monthly for the 12 months April through March (The "YCRR" or "YCR" Formula). An appropriate adjustment in the fuel charges will be made in May for the previous 12 months ending March 31st to obtain the annual fuel charges as calculated using the applicable "YCRR" or "YCR" Formula. At Union's sole discretion Union may make more frequent adjustments than once per year. The YCRR and YCR adjustments must be paid/remitted to/from Shippers at Dawn within one billing cycle after invoicing.



(D) Transportation Commodity (Cont'd)

$$YCR = \sum_{1}^{4} [(0.001529 \times (QT1 + QT3)) + (DSF \times (QT1 + QT3)) + F_{ST}] \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [0.001529 \times (QT1 + Q3)) + (DWF \times QT1) + F_{WT}] \text{ For Oct. 1 to May 31}$$

$$YCRR = \sum_{1}^{4} [(0.001529 \times (QT1 + QT3)) + (DSF \times (QT1 + QT3)) + F_{ST}] \times R \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [(0.001529 \times (QT1 + QT3)) + (DWF \times QT1) + F_{WT}] \times R \text{ For Oct. 1 to May 31}$$

where: DSF = 0.00000 for Dawn summer fuel requirements
 DWF = 0.0020 for Dawn winter fuel requirements

in which:

YCR Yearly Commodity Required

The sum of 12 separate monthly calculations of Commodity Quantities required for the period from April through March.

YCRR Yearly Commodity Revenue Required

The sum of 12 separate monthly calculations of Commodity Revenue required for the period April through March.

QT1 Monthly quantities in GJ transported easterly hereunder received at Dawn at not less than 4 850 kPa but less than 5 860 kPa (compression required at Dawn).

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

F_{WT} The individual Shipper's monthly share of compressor fuel used in GJ which was required at Union's Lobo, Bright, Trafalgar and Parkway Compressor Stations ("Lobo", "Bright", "Trafalgar" and "Parkway") to transport the same Shipper's QT1 monthly quantities easterly.

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

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

The monthly Parkway and Trafalgar compressor fuel used will be allocated to each Shipper in the same proportion as the monthly quantity transported to Parkway (TCPL) for each user is to the total monthly quantity transported for all users including Union.



(D) Transportation Commodity (Cont'd)

F_{ST} The individual Shipper's monthly share of compressor fuel used in GJ which was required at Union's Lobo, Bright, Trafalgar and Parkway compressor stations to transport the same Shipper's quantity on the Trafalgar system.

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

R Union's weighted average cost of gas in \$/GJ.

Notes

(i) In the case of Easterly flow, direct deliveries by TCPL at Parkway to Union or on behalf of Union to Union's Transportation Shippers will be allocated to supply Union's markets on the Dawn-Parkway facilities starting at Parkway and proceeding westerly to successive laterals until exhausted.

(E) Provision for Compressor Fuel

For a Shipper that has elected to provide its own compressor fuel.

Transportation Fuel

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

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

Transportation Fuel Quantity = Transportation Quantity x Transportation Fuel Ratio.

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

Nominations

The Shipper will be required to nominate its Transportation Fuel Quantity in addition to its normal nominations for transportation services.

(F) Terms of Service

The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A" for contracts in effect before October 1, 2010. The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A 2010" for contracts in effect on or after October 1, 2010.

(G) Nominations

Nominations under this rate schedule shall be in accordance with the attached Schedule "B" for contracts in effect before October 1, 2010. Nominations under this rate schedule shall be in accordance with the attached Schedule "B 2010" for contracts in effect on or after October 1, 2010.



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Effective
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(H) Monthly Fuel Rates and Ratios

Monthly fuel rates and ratios under this rate schedule shall be in accordance with Schedule "C".

(I) Receipt and Delivery Points and Pressures

Receipt and Delivery Points and Pressures under this rate schedule shall be in accordance with Schedule "D 2010" for contracts in effect on or after October 1, 2010.

Effective

January 1, 2013
O.E.B. Order # EB-2011-0210

Chatham, Ontario

Supersedes EB-2012-0437 Rate Schedule effective January 1, 2013.

UNION GAS LIMITED
M12 Monthly Transportation Fuel Ratios and Rates
Firm or Interruptible Transportation Commodity
Effective January 1, 2013

Month	VT1 Easterly Dawn to Parkway (TCPL) With Dawn Compression		VT1 Easterly Dawn to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		VT3 Westerly Parkway to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	0.802	0.045	0.533	0.030	0.153	0.009
May	0.567	0.032	0.359	0.020	0.153	0.009
June	0.463	0.026	0.260	0.014	0.357	0.020
July	0.451	0.025	0.248	0.014	0.356	0.020
August	0.355	0.020	0.154	0.009	0.354	0.020
September	0.352	0.020	0.154	0.009	0.351	0.020
October	0.697	0.039	0.463	0.026	0.153	0.009
November	0.840	0.047	0.603	0.034	0.153	0.009
December	0.945	0.053	0.702	0.039	0.153	0.009
January	1.086	0.060	0.831	0.046	0.153	0.009
February	1.033	0.057	0.786	0.044	0.153	0.009
March	0.972	0.054	0.719	0.040	0.153	0.009

Month	M12-X Easterly Kirkwall to Parkway (TCPL)		M12-X Easterly Kirkwall to Lisgar Parkway (Consumers)		M12-X Westerly Parkway to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	0.422	0.024	0.153	0.009	0.268	0.015
May	0.361	0.020	0.153	0.009	0.268	0.015
June	0.357	0.020	0.153	0.009	0.268	0.015
July	0.356	0.020	0.153	0.009	0.268	0.015
August	0.354	0.020	0.153	0.009	0.268	0.015
September	0.351	0.020	0.153	0.009	0.268	0.015
October	0.387	0.022	0.153	0.009	0.268	0.015
November	0.389	0.022	0.153	0.009	0.153	0.009
December	0.396	0.022	0.153	0.009	0.153	0.009
January	0.408	0.023	0.153	0.009	0.153	0.009
February	0.400	0.022	0.153	0.009	0.153	0.009
March	0.406	0.023	0.153	0.009	0.153	0.009

UNION GAS LIMITED
M12 Monthly Transportation Authorized Overrun Fuel Ratios and Rates
 Firm or Interruptible Transportation Commodity
Effective January 1, 2013

Month	VT1 Easterly Dawn to Parkway (TCPL) With Dawn Compression		VT1 Easterly Dawn to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		VT3 Westerly Parkway to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	1.402	0.156	1.133	0.129	0.753	0.120
May	1.167	0.143	0.959	0.119	0.753	0.120
June	1.063	0.138	0.860	0.114	0.957	0.132
July	1.051	0.137	0.848	0.113	0.956	0.132
August	0.955	0.131	0.754	0.108	0.954	0.131
September	0.952	0.131	0.754	0.108	0.951	0.131
October	1.297	0.151	1.063	0.125	0.753	0.120
November	1.440	0.158	1.203	0.133	0.753	0.120
December	1.545	0.164	1.302	0.139	0.753	0.120
January	1.686	0.172	1.431	0.146	0.753	0.120
February	1.633	0.169	1.386	0.143	0.753	0.120
March	1.572	0.166	1.319	0.140	0.753	0.120

Month	M12-X Easterly Kirkwall to Parkway (TCPL)		M12-X Easterly Kirkwall to Lisgar Parkway (Consumers)		M12-X Westerly Parkway to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	1.022	0.069	0.753	0.054	0.868	0.127
May	0.961	0.066	0.753	0.054	0.868	0.127
June	0.957	0.065	0.753	0.054	0.868	0.127
July	0.956	0.065	0.753	0.054	0.868	0.127
August	0.954	0.065	0.753	0.054	0.868	0.127
September	0.951	0.065	0.753	0.054	0.868	0.127
October	0.987	0.067	0.753	0.054	0.868	0.127
November	0.989	0.067	0.753	0.054	0.753	0.120
December	0.996	0.068	0.753	0.054	0.753	0.120
January	1.008	0.068	0.753	0.054	0.753	0.120
February	1.000	0.068	0.753	0.054	0.753	0.120
March	1.006	0.068	0.753	0.054	0.753	0.120



CROSS FRANCHISE TRANSPORTATION RATES

(A) Applicability

To a Shipper who enters into a Contract with Union for delivery by Shipper of gas to Union at one of Union's points listed below for redelivery by Union to Shipper at one of Union's points.

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

*Dawn as a receipt point: Dawn (TCPL), Dawn (Facilities), Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE).

*Dawn as a delivery point: Dawn (Facilities).

(B) Services

Transportation Service under this rate schedule is transportation on Union's pipeline facilities between any two Points as specified in Section (A), column 1.

(C) Rates

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

Transportation Service:

	Monthly Demand Charge (applied to daily contract demand) <u>Rate/GJ</u>	Commodity Charges			
		If Union supplies fuel Commodity Charge		If Shipper supplies fuel Fuel Ratio	
		<u>Apr.1-Oct.31</u> <u>Rate/GJ</u>	<u>Nov.1-Mar.31</u> <u>Rate/GJ</u>	<u>Apr.1-Oct.31</u> <u>%</u>	<u>Nov.1-Mar.31</u> <u>%</u>
a) Firm Transportation					
Between:					
St.Clair & Dawn	\$1.059	\$0.011	\$0.014	0.201%	0.258%
Ojibway & Dawn	\$1.059	\$0.024	\$0.016	0.435%	0.295%
Bluewater & Dawn	\$1.059	\$0.011	\$0.014	0.201%	0.258%
From:					
Parkway to Kirkwall	\$0.579	\$0.015	\$0.009	0.268%	0.153%
Parkway to Dawn	\$0.579	\$0.015	\$0.009	0.268%	0.153%
Kirkwall to Dawn	\$1.021	\$0.009	\$0.009	0.153%	0.153%
Dawn to Kirkwall	\$2.011	\$0.017	\$0.041	0.310%	0.728%
Dawn to Parkway	\$2.382	\$0.029	\$0.054	0.527%	0.975%
Kirkwall to Parkway	\$0.372	\$0.021	\$0.022	0.370%	0.400%
b) Interruptible and Short Term (1 year or less) Firm Transportation:					
Maximum		\$75.00	\$75.00		
c) Firm Transportation between two points within Dawn					
Dawn to Dawn-Vector	\$0.029	n/a	n/a	0.330%	0.153%
Dawn to Dawn-TCPL	\$0.134	n/a	n/a	0.153%	0.342%
d) Interruptible Transportation between two points within Dawn*					
*includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE)				0.153%	0.153%



(C) Rates (Cont'd)

Authorized Overrun:

The following Overrun rates are applied to any quantities transported in excess of the Contract parameters. Overrun will be authorized at Union's sole discretion.

	If Union supplies fuel		Commodity Charges If Shipper supplies fuel		Commodity Charge
	Commodity Charge		Fuel Ratio		
	Apr.1-Oct.31 Rate/GJ	Nov.1-Mar.31 Rate/GJ	Apr.1-Oct.31 %	Nov.1-Mar.31 %	
a) Firm Transportation					
Between:					
St.Clair & Dawn	\$0.046	\$0.049	0.201%	0.258%	\$0.035
Ojibway & Dawn	\$0.059	\$0.051	0.435%	0.295%	\$0.035
Bluewater & Dawn	\$0.046	\$0.049	0.201%	0.258%	\$0.035
From:					
Parkway to Kirkwall	\$0.127	\$0.120	0.868%	0.753%	\$0.019
Parkway to Dawn	\$0.127	\$0.120	0.868%	0.753%	\$0.019
Kirkwall to Dawn	\$0.047	\$0.047	0.849%	0.849%	\$0.034
Dawn to Kirkwall	\$0.117	\$0.140	0.910%	1.328%	\$0.066
Dawn to Parkway	\$0.141	\$0.166	1.127%	1.575%	\$0.078
Kirkwall to Parkway	\$0.066	\$0.068	0.970%	1.000%	\$0.012
b) Firm Transportation within Dawn					
Dawn to Dawn-Vector	n/a	n/a	0.330%	0.153%	\$0.001
Dawn to Dawn-TCPL	n/a	n/a	0.153%	0.342%	\$0.004

Authorized overrun for short-term firm transportation is available at negotiated rates.

Unauthorized Overrun:

The Unauthorized Overrun rate shall be the higher of the reported daily spot price of gas at either, Dawn, Parkway, Niagara, Iroquois or Chicago in the month of or the month following the month in which the overrun occurred plus 25% for all usage on any day in excess of 102% of Union's contractual obligation.

Notes for Section (C) Rates:

- (1) A demand charge of \$0.068/GJ/day/month will be applicable to customers contracting for firm all day transportation service in addition to the demand charges appearing on this schedule for all firm transportation service paths.

(D) Terms of Service

The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A" for contracts in effect before October 1, 2010. The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A 2010" for contracts in effect on or after October 1, 2010.

(E) Nominations

Nominations under this rate schedule shall be in accordance with the attached Schedule "B" for contracts in effect before October 1, 2010. Nominations under this rate schedule shall be in accordance with the attached Schedule "B 2010" for contracts in effect on or after October 1, 2010.

(F) Receipt and Delivery Points and Pressures

Receipt and Delivery Points and Pressures under this rate schedule shall be in accordance with Schedule "C 2010" for contracts in effect on or after October 1, 2010.

Effective January 1, 2013 Chatham, Ontario
O.E.B. Order # EB-2011-0210
Supersedes EB-2012-0437 Rate Schedule effective January 1, 2013.