



January 11, 2019

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

RE: EB-2018-0205 – Enbridge Gas Distribution Inc. – 2019 Federal Carbon Pricing Application
EB-2018-0187 – Union Gas Limited – 2019 Federal Carbon Pricing Program Application

Enclosed is Enbridge Gas Inc.’s (“Enbridge Gas”) 2019 Federal Carbon Pricing Program Application and pre-filed evidence (the “Application”).

Effective January 1, 2019, Enbridge Gas Distribution Inc. (“EGD”) and Union Gas Limited (“Union”) amalgamated to become Enbridge Gas. The Application is being filed to update and consolidate the original applications by EGD¹ and Union² into a single application for all Enbridge Gas rate zones (EGD, Union North and Union South).³ The Application has been filed through the Ontario Energy Board’s (the “OEB”) RESS and will be available at: www.enbridgegas.com/Regulatory-Proceedings and www.uniongas.com/about-us/company-overview/regulatory.

Enbridge Gas is filing this Application pursuant to the *Greenhouse Gas Pollution Pricing Act* (the “GGPPA”).⁴ A federal carbon pricing program (the “FCPP” or “Backstop”) applies to any province or territory that requests it or that does not have an equivalent carbon pricing system in place by January 1, 2019.⁵ On October 23, 2018, the federal government of Canada confirmed that Ontario would be covered by the GGPPA. The FCPP is composed of two elements: (i) a charge on fossil fuels (the “Federal Carbon Charge”) imposed on distributors, importers and producers effective April 1, 2019; and (ii) an Output-Based Pricing System (“OBPS”) for prescribed industrial facilities effective January 1, 2019.

This Application addresses updates to the FCPP announced by the federal government after the filing of EGD and Union’s original applications, as well as the amalgamation of EGD and Union effective January 1, 2019 to become Enbridge Gas.

As part of this Application, Enbridge Gas is seeking OEB approval of just and reasonable rates effective April 1, 2019 for the EGD rate zone and Union rate zones, to recover the costs associated with the GGPPA as a pass-through to customers. Enbridge Gas requests the OEB approve its rates proposal as

¹ EB-2018-0205, EGD 2019 Federal Carbon Pricing Application (Filed October 10, 2018).

² EB-2018-0187, Union 2019 Federal Carbon Pricing Program Application (Filed October 9, 2018).

³ Collectively, the Union North and Union South rate zones are referred to as the “Union rate zones”.

⁴ The GGPPA, <https://www.fin.gc.ca/drleg-apl/2018/ggpp-tpcges-l-bil.pdf>.

⁵ Environment and Climate Change Canada, Technical Paper on the Federal Carbon Pricing Backstop, p.4, <https://www.canada.ca/content/dam/eccc/documents/pdf/20170518-2-en.pdf>.

filed on an interim basis no later than February 28, 2019. Enbridge Gas will file a draft rate order for final rates following issuance of the OEB's Decision and Order for this Application.

Enbridge Gas is also seeking OEB approval to establish five new deferral and variance accounts to record administration costs and cost variances between actual costs incurred and the amounts collected through rates for each of the EGD and Union rate zones.

If you have any questions with respect to this submission please contact me at (519) 436-4558.

Yours truly,

[original signed by]

Adam Stiers
Specialist, Regulatory Initiatives

cc: M. Seers (*Torys*)
EB-2017-0224/EB-2017-0255 Parties (*2018 Cap-and-Trade Compliance Plans*)

ONTARIO ENERGY BOARD
IN THE MATTER OF the Ontario Energy Board
Act, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by
Enbridge Gas Inc., pursuant to section 36(1) of the
Ontario Energy Board Act, 1998, for an order or orders for
rates resulting from the Greenhouse Gas Pollution Pricing Act.

APPLICATION

1. Enbridge Gas Distribution Inc. (“EGD”) and Union Gas Limited (“Union”) were Ontario corporations incorporated under the laws of the Province of Ontario carrying on the business of selling, distributing, transmitting, and storing natural gas within the meaning of the *Ontario Energy Board Act, 1998* (the “Act”). EGD and Union each filed unique 2019 Federal Carbon Pricing Program Applications on October 10, 2018 and October 9, 2018, respectively. EGD and Union amalgamated effective January 1, 2019 to become Enbridge Gas Inc. (“Enbridge Gas”).
2. Enbridge Gas conducts both an integrated natural gas utility business that combines the operations of distributing, transmitting, and storing natural gas, and a non-utility storage business.
3. On June 21, 2018, the *Budget Implementation Act, 2018, No. 1* received Royal Assent. Included in Part V is the *Greenhouse Gas Pollution Pricing Act* (the “GGPPA”). A federal carbon pricing program (the “FCPP” or “Backstop”) applies to any province or territory that requests it or that does not have an equivalent carbon pricing system in place by January 1, 2019.¹ On October 23, 2018, the federal government of Canada confirmed that Ontario would be covered by the GGPPA.
4. The FCPP is composed of two elements: (i) a charge on fossil fuels (the “Federal Carbon Charge”) imposed on distributors, importers and producers effective April 1, 2019; and (ii) an Output-Based Pricing System (“OBPS”) for prescribed industrial facilities effective January 1, 2019. Enbridge Gas’s operations as an integrated natural

¹ Environment and Climate Change Canada, Technical Paper on the Federal Carbon Pricing Backstop, p. 4, <https://www.canada.ca/content/dam/eccc/documents/pdf/20170518-2-en.pdf>.

gas utility in Ontario fall under the purview of the GGPPA, which will result in the following costs being incurred:

- a. Incremental administration and program costs;
 - b. Customer-related Federal Carbon Charge costs which Enbridge Gas will be required to pay under the GGPPA for volumes delivered by Enbridge Gas to its residential, commercial and industrial customers who are not covered under the OBPS along with any resulting increase to financing costs; and
 - c. Facility-related (“Facility Carbon Charge”) costs which Enbridge Gas will be required to pay under the GGPPA arising from Enbridge Gas’s facilities and operation of its gas distribution system along with any resulting increase to financing costs.
5. On December 14, 2018, under Board file EB-2018-0305, Enbridge Gas filed an application for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of natural gas for the EGD rate zone and Union rate zones effective January 1, 2019.² Costs associated with the GGPPA were not included within that application.
6. Accordingly, Enbridge Gas hereby applies to the OEB, pursuant to section 36 of the Act:
- a. For an order or orders allowing it to charge customers a Federal Carbon Charge on a volumetric basis, in the amount of the Federal Carbon Charge required to be paid pursuant to the GGPPA, effective April 1, 2019; and
 - b. For an order approving or fixing just and reasonable rates for the EGD and Union rate zones effective April 1, 2019, to allow Enbridge Gas to recover the other costs (including Facility Carbon Charge costs) associated with compliance with the GGPPA.
7. To meet this effective date, Enbridge Gas respectfully requests that the OEB approve its rates proposal as filed on an interim basis no later than February 28, 2019. Final rates for the EGD and Union rate zones will be filed with the OEB following the issuance of the OEB’s Decision and Order for this application.
8. Enbridge Gas further applies to the OEB for the following:
- a. Approval of the Greenhouse Gas Emissions Administration Deferral Account (“GGEADA”);
 - b. Approval of the Federal Carbon Charge – Customer Variance Account (“FCCCVA”) for the EGD rate zone;
 - c. Approval of the Federal Carbon Charge – Customer Variance Account for the Union rate zones;
 - d. Approval of the Federal Carbon Charge – Facility Variance Account (“FCCFVA”) for the EGD rate zone; and

² Collectively, the Union North and Union South rate zones are referred to as “Union rate zones”.

- e. Approval of the Federal Carbon Charge – Facility Variance Account for the Union rate zones.
- 9. Enbridge Gas further applies to the OEB for all necessary orders and directions concerning pre-hearing and hearing procedures for the determination of this application.
- 10. This application is supported by written evidence that has been filed with this application and may be amended from time to time as circumstances may require.
- 11. The persons affected by this application are the customers resident or located in the municipalities, police villages, and First Nations Reserves and Métis organizations served by Enbridge Gas within the EGD rate zone and Union rate zones, together with those to whom Enbridge Gas sells natural gas, or on whose behalf Enbridge Gas distributes, transmits, or stores natural gas. It is impractical to set out in this application the names and addresses of such persons because they are too numerous.
- 12. The address of service for Enbridge Gas is:

Enbridge Gas Inc.
P.O. Box 2001
50 Keil Drive North
Chatham, Ontario
N7M 5M1

Attention: Adam Stiers
Telephone: (519) 436-4558
Fax: (519) 436-4641

- and -

Torys
Suite 3000, TD South Tower
Box 270
Toronto, Ontario
M5K 1N2

Attention: Myriam Seers
Telephone: (416) 865-7535
Fax: (416) 885-7380

DATED: January 11, 2019

ENBRIDGE GAS INC.

[Original signed by]

Adam Stiers
Specialist, Regulatory Initiatives

1 This exhibit of evidence discusses the changing carbon policy landscape in Ontario, Enbridge
2 Gas's obligations as a natural gas utility, and the approvals sought by Enbridge Gas from the
3 Ontario Energy Board (the "Board" or "OEB").

4

5 This exhibit of evidence is organized as follows:

6 1. Background

7 2. Enbridge Gas's Obligations Under the GGPPA

8 2.1 Volumes Subject to Federal Carbon Charge

9 2.2 Volumes Subject to OBPS

10 3. Requested Approvals

11 4. Assumptions Made Within Enbridge Gas's Application

12 5. Communication

13 6. Administration

14

15 **1. BACKGROUND**

16 On May 18, 2016, Ontario's *Climate Change Mitigation and Low Carbon Economy Act, 2016*

17 (the "Climate Change Act") received Royal Assent. Enbridge Gas Distribution Inc. and Union

18 Gas Limited (together, the "Utilities") had obligations under the Climate Change Act effective

19 January 1, 2017 until July 3, 2018. On July 3, 2018, the government of Ontario filed the

20 *Prohibition Against the Purchase, Sale and Other Dealings with Emission Allowances and*

21 *Credits* (Ontario Regulation 386/18) ("Revocation Regulation") which revoked Ontario's Cap-

22 and-Trade Program (Ontario Regulation 144/16) (the "Cap-and-Trade Program") and prohibited

1 registered participants from purchasing, selling, trading or otherwise dealing with emission
2 allowances and credits. As part of the Utilities' respective October 2018 QRAM Applications,
3 and in accordance with the Board's August 30, 2018 letter,² the Board approved the removal of
4 Cap-and-Trade related charges from customers' bills and disposition of the projected aggregate
5 net credit balance in the Utilities' Cap-and-Trade related deferral accounts forecasted to
6 September 30, 2018, on an interim basis, effective October 1, 2018.³ On December 7, 2018, the
7 Board issued a procedural order to address the prudence review and final clearance of the
8 Utilities' Cap-and-Trade deferral and variance accounts, following this review the Cap-and-
9 Trade deferral and variance accounts are to be closed.

10

11 On June 21, 2018, the *Budget Implementation Act, 2018, No. 1* received Royal Assent. Part V
12 included the *Greenhouse Gas Pollution Pricing Act*. A federal carbon pricing program (the
13 "FCPP" or "Backstop") applies to any province or territory that requests it or that does not have
14 an equivalent carbon pricing system in place by January 1, 2019. On October 23, 2018, the
15 federal government confirmed that Ontario would be covered by the GGPPA. Furthermore, the
16 federal government announced that instead of the entirety of the FCPP being effective on
17 January 1, 2019, the two components of the program, discussed in more detail below, would
18 have separate start dates.

19

² EB-2017-0224/EB-2017-0255, OEB Letter, Direction to Apply for Elimination of Cap and Trade Charges and for the Disposition of Amounts in Related Accounts.

³ EB-2018-0249, EGD October 2018 QRAM Application; EB-2018-0253, Union October 2018 QRAM Application.

1 The FCPP is composed of two elements:

2 1. A charge on fossil fuels (the “Federal Carbon Charge”) as a cost per unit of fuel,
3 including natural gas (cubic meters or m³), imposed on distributors, importers and
4 producers applicable from 2019 to 2022 under Part 1 of the GGPPA. This charge applies
5 to fuel delivered by Enbridge Gas to its customers and to Enbridge Gas’s own fuel use
6 within its distribution system (i.e. for distribution buildings, boilers/line heaters and NGV
7 fleet fuel). Exemptions from the Federal Carbon Charge are explained below. The
8 Federal Carbon Charge is equivalent to \$20 per tonne of carbon dioxide equivalent
9 (“tCO₂e”) or 3.91 cents/m³ in 2019 and increases by \$10/tCO₂e annually, reaching
10 \$50/tCO₂e or 9.79 cents/m³ in 2022 (see Table 1). The Federal Carbon Charge, originally
11 expected to become effective on January 1, 2019, has now been confirmed to become
12 effective April 1, 2019, and increases each subsequent year on April 1.

13 Table 1

14 2019 – 2022 Federal Carbon Charge Rates for Marketable Natural Gas⁴

Year	\$/tCO₂e	¢/m³
2019	\$20	3.91
2020	\$30	5.87
2021	\$40	7.83
2022	\$50	9.79

15

16 2. Entities that are covered under Part 2 of the GGPPA, “Industrial Greenhouse Gas
17 Emissions”, are exempt from coverage under Part 1 of the GGPPA, “Fuel Charge”. Part 2
18 entities are instead covered under an Output-Based Pricing System (“OBPS”), with

⁴ The GGPPA, Schedule 2 and Schedule 4.

1 mandatory and voluntary participation thresholds, established for prescribed industrial
2 facilities that emit specified volumes of greenhouse gas (“GHG”) emissions, measured in
3 tCO₂e, annually.⁵ This component of the GGPPA is effective January 1, 2019.

4
5 The OBPS creates a pricing incentive to reduce GHG emissions from Energy Intensive
6 and Trade Exposed (“EITE”) industrial facilities while limiting the impacts of carbon
7 pricing on their respective competitiveness. Entities included in the OBPS will be
8 required to apply to Environment and Climate Change Canada (“ECCC”), and to the
9 Canada Revenue Agency (“CRA”) for exemption from the Federal Carbon Charge. The
10 exemption certificate issued by the CRA must then be submitted to Enbridge Gas to
11 ensure that the entity is not charged the Federal Carbon Charge on its natural gas bill.
12 Participants in the OBPS will be required to report and manage their own compliance
13 obligations, and have the following options to satisfy annual emissions that exceed their
14 sector-based emission intensity benchmark:⁶ (i) pay the carbon price;⁷ (ii) submit surplus

⁵ For 2019, the mandatory emissions threshold for entities identified as being in an Energy Intensive and Trade Exposed sector has been established as 50 ktCO₂e or more per year by Environment and Climate Change Canada. On December 20, 2018, Environment and Climate Change Canada confirmed that voluntary participants may opt-in to the OBPS if the entity emits between 10 - 50 ktCO₂e per year. In both cases, facilities must carry out an activity for which an Output-Based Standard is prescribed in order to be eligible, <https://www.canada.ca/en/services/environment/weather/climatechange/climate-action/pricing-carbon-pollution/output-based-pricing-system.html>.

⁶ Draft emissions intensity metrics, benchmark and calculation methodologies were published in Fall 2018. Final output-based emissions limits are expected in Spring 2019. <https://www.canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work/output-based-pricing-system.html>.

⁷ Equivalent to the Federal Carbon Charge rate for marketable natural gas as outlined in Table 1. Rates of charge applicable from 2019-2022 are outlined in Schedule 2 of the GGPPA.

1 credits issued by the federal government (“Credits”);⁸ or (iii) submit eligible offset
2 credits (“Offset Credits”).⁹

3

4 Key aspects of the GGPPA that currently remain outstanding include:

- 5 • finalization of regulations to implement the OBPS;¹⁰
- 6 • finalization of Output-Based Standards (“OBS”) (production-weighted national average
7 emissions intensity for each sector); and
- 8 • certain administrative matters, such as the process for confirming charges related to obligated
9 volumes by the CRA, confirmation that the greenhouse sector will receive 80% relief of its
10 Federal Carbon Charge obligation and the final list of covered facilities (see Section 2 for
11 additional detail).

12

13 Enbridge Gas’s Application has been updated based on the best information available and is
14 being submitted at this time in order to be in a position to comply with the GGPPA and begin
15 charging customers, in accordance with the FCPP, beginning April 1, 2019. Should information

⁸ Credits are issued by the federal government to facilities that achieve annual emissions volumes below their annual output-based emissions limit. Each credit represents one tonne CO₂e, can be banked for future use against emissions or traded, has a useful life of five years from the period following the year for which the credits were issued, and will be tracked using a centralized system (currently under development).

⁹ Offset Credits represent greenhouse gas emissions reductions or removal enhancements generated from Canadian voluntary project-based activities that are not subject to carbon pricing and that would not have occurred under business as usual conditions (i.e. the reductions go beyond legal requirements and standard practice).

¹⁰ ECCC proposal for regulations to implement the OBPS: <https://www.canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work/output-based-pricing-system/proposal-regulations.html>.

1 related to the FCPP be updated or changed, Enbridge Gas may amend its evidence accordingly.

2 A list of assumptions made in this Application regarding the FCPP is provided in Section 4.

3

4 **2. ENBRIDGE GAS'S OBLIGATIONS UNDER THE GGPPA**

5 As a natural gas utility in Ontario, which is a “listed province” in the GGPPA, Enbridge Gas is
6 required to register under Part 1 of the GGPPA with the CRA (Minister of National Revenue) as
7 a “distributor” for volumes of natural gas delivered to its customers.¹¹ Further, Enbridge Gas is
8 required to register under the GGPPA as an “emitter” since its transmission and storage
9 compressor stations are “covered facilities” under Part 2 of the GGPPA.¹²

10

11 Enbridge Gas will be required to remit the Federal Carbon Charges related to the GGPPA to the
12 government of Canada. As an “emitter” Enbridge Gas will also be required to remit payment for
13 any excess emissions under the OBPS. Enbridge Gas has estimated the 2019 cost of compliance
14 with the GGPPA to be approximately \$361.4 million: \$226.3 million for the EGD rate zone (see
15 Exhibit B, Tab 1 for additional detail) and \$135.1 million for the Union rate zones (see Exhibit
16 B, Tab 2 for additional detail). In addition, Enbridge Gas forecasts 2019 administration costs of
17 approximately \$3.1 million associated with preparation for and administration of requirements
18 under the GGPPA (see Exhibit C for additional detail).

¹¹ The GGPPA, s.55 (1); The GGPPA requires registration of distributors of marketable or non-marketable natural gas. The GGPPA defines “marketable natural gas” as natural gas that consists of at least 90% methane and that meets the specifications for pipeline transport and sale for general distribution to the public. The GGPPA defines “non-marketable natural gas” as natural gas other than marketable natural gas. Enbridge Gas expects it will be required to register as a distributor of marketable natural gas.

¹² The GGPPA, s.57(1). See footnote 5 above for the coverage threshold.

1 **2.1 VOLUMES SUBJECT TO FEDERAL CARBON CHARGE**

2 With the exception of customer volumes that are covered under the OBPS program, or those that
3 are otherwise exempt from the Federal Carbon Charge, all distribution volumes delivered by
4 Enbridge Gas in Ontario (“Customer Volumes”) are covered under Part 1 of the GGPPA and are
5 expected to be subject to the Federal Carbon Charge.¹³ Under the GGPPA Enbridge Gas is
6 required to:¹⁴

- 7 • register as a fuel distributor with the CRA;
- 8 • calculate and report monthly to the CRA the volume of fuel covered under Part 1 of the
9 GGPPA, including Enbridge Gas’s own use within its distribution system (i.e. distribution
10 buildings, boilers/line heaters and NGV fleet volumes); and
- 11 • remit the amount of the Federal Carbon Charge in respect of the monthly volume that has
12 been calculated.

13

14 As outlined in Table 1, Enbridge Gas will be required to remit the 2019 Federal Carbon Charge
15 rate of 3.91 cents/m³ of natural gas consumed for applicable customers. As outlined at Exhibit E,
16 Enbridge Gas will present these charges as a separate line item on customers’ bills. A sample of
17 the bill for customers in the EGD rate zone is provided at Exhibit A, Appendix A and for
18 customers in the Union rate zones at Exhibit A, Appendix B. Enbridge Gas’s forecast 2019 cost

¹³ For the purpose of calculating Enbridge Gas’s 2019 customer volume forecast at Exhibit B, Tab 1, Schedule 1 and at Exhibit B, Tab 2, Schedule 1, Enbridge Gas excluded customers whose consumption volumes, and related emissions, are expected to qualify them for an exemption certificate, in accordance with Section 17(2) of the GGPPA. This includes downstream distributors.

¹⁴ The GGPPA, s.68 (2b), s.71 (3).

1 associated with Customer Volumes is \$359 million; \$225.9 million for the EGD rate zone and
2 \$133.1 million for the Union rate zones.

3

4 Customers that hold an Exemption Certificate must provide a copy to Enbridge Gas no later than
5 two weeks in advance of the first day of the month in which they wish to have their consumption
6 volumes exempted from the Federal Carbon Charge.

7

8 In addition, natural gas volumes consumed in the operation of Enbridge Gas's facilities which
9 are not covered by the OBPS (i.e. distribution buildings, boilers/line heaters and NGV fleet
10 volumes) will also be subject to the Federal Carbon Charge ("Company Use Volumes"). The
11 costs associated with Company Use Volumes will be recovered from customers as part of the
12 Facility Carbon Charge, as detailed at Exhibit E, included in delivery or transportation charges
13 on customers' bills. Enbridge Gas's forecast 2019 cost associated with Company Use Volumes is
14 approximately \$0.320 million; \$0.141 million for the EGD rate zone and \$0.179 million for the
15 Union rate zones.

16

17 **2.2 VOLUMES SUBJECT TO OBPS**

18 Transmission of marketable natural gas has been identified as an activity which is covered under
19 the OBPS and includes installations and equipment such as compressor stations, storage

1 installations, and compressor units that have a common owner/operator within a province.¹⁵ For
2 Enbridge Gas, this includes fuel used in transmission and storage compressor facilities (“OBPS
3 Volumes”).¹⁶ Under the GGPPA Enbridge Gas is required to:

- 4 • register as a covered facility under the OBPS program with ECCC;
- 5 • register with the CRA for exemption from the Federal Carbon Charge for Enbridge Gas’s
6 fuel use at facilities covered under the OBPS;
- 7 • calculate and report to ECCC Enbridge Gas’s emissions and emissions limit for each
8 compliance period; and
- 9 • provide compensation for, or otherwise obtain Credits to cover any excess emissions by the
10 applicable deadline.

11

12 OBPS-qualified facilities will have a compliance obligation for the portion of their emissions
13 that exceed an annual facility emission limit. Under the OBPS, annual facility emissions limits
14 will be calculated based on a specific OBS and annual facility production. The initial proposed
15 OBS for the transmission of marketable natural gas is 80% of production-weighted national
16 average emissions intensity. The costs associated with OBPS Volumes will be recovered from

¹⁵ The GGPPA, Part 2 (industrial GHG Emissions); Environment and Climate Change Canada, Proposal for the Output-Based Pricing System Regulations, Schedule 1, p. 46, <https://www.canada.ca/content/dam/eccc/documents/pdf/climate-change/pricing-pollution/obps-regulatory-proposal-en.pdf>.

¹⁶ Environment and Climate Change Canada, Proposal for the Output-Based Pricing System Regulations, p. 4, <https://www.canada.ca/content/dam/eccc/documents/pdf/climate-change/pricing-pollution/obps-regulatory-proposal-en.pdf>; The final Natural Gas Pipeline OBS is expected to aggregate compressor fuel used at Enbridge Gas stations that are located on a contiguous pipeline system within the provincial boundary of Ontario, for the purpose of calculating Enbridge Gas’s obligation under OBPS.

1 customers as part of the Facility Carbon Charge, as detailed at Exhibit E, included in delivery or
2 transportation charges on customers' bills. Enbridge Gas's forecast 2019 cost associated with
3 OBPS Volumes is \$2.013 million; \$0.182 million for the EGD rate zone and \$1.831 million for
4 the Union rate zones.

5

6 **3. REQUESTED APPROVALS**

7 As the costs to comply with the GGPPA will form part of Enbridge Gas's ongoing operating
8 costs as a utility, Enbridge Gas proposes to treat all prudently incurred costs of compliance with
9 the GGPPA as a pass-through to customers (Y Factor).

10

11 Prudently incurred costs associated with Ontario's Cap-and-Trade Program were identified by
12 the Board as qualifying for pass-through treatment. One of the guiding principles of the OEB's
13 Cap-and-Trade Framework, Cost Recovery, stated that "prudently incurred costs related to cap
14 and trade activities are recovered from customers as a cost pass-through."¹⁷ The costs associated
15 with Enbridge Gas's compliance with the GGPPA are similar to those covered under the Cap-
16 and-Trade Framework as the GGPPA imposes costs based on GHG emissions generated by
17 Enbridge Gas's business activities that Enbridge Gas cannot avoid or control. Moreover, in
18 respect of the Federal Carbon Charge, Enbridge is required to remit a set amount (i.e. the cost of
19 compliance is fixed by legislation). For these reasons, Enbridge Gas applies to the Board to treat
20 the costs driven by the GGPPA as a pass-through to its customers.

¹⁷ EB-2015-0363, Regulatory Framework for the Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities, p. 7.

1 Through this Application, Enbridge Gas is seeking interim OEB approval of rates by February
2 28, 2019, to be applied to customer bills beginning April 1, 2019 given the significant obligation
3 expected under the GGPPA. If amounts payable to the government of Canada under the GGPPA
4 are not added to bills and collected commencing April 1, 2019, the resulting accumulation of
5 unbilled and uncollected amounts from customers will have a larger impact on bills when such
6 amounts are added to bills and retroactively recovered in the future. Enbridge Gas will file a
7 draft rate order for final rates following the issuance of the OEB's Decision and Order for this
8 Application.

9
10 Enbridge Gas is also requesting approval to establish five new deferral and variance accounts in
11 order to record the following costs and variances resulting from compliance with the GGPPA: (i)
12 combined administration costs to be tracked in a Greenhouse Gas Emissions Administration
13 Deferral Account ("GGEADA"); (ii) customer Federal Carbon Charge cost variances to be
14 tracked in a Federal Carbon Charge - Customer Variance Account ("FCCCVA") for each of the
15 EGD rate zone and Union rate zones; and, (iii) Facility Carbon Charge cost variances to be
16 tracked in a Federal Carbon Charge - Facility Variance Account ("FCCFVA") for each of the
17 EGD rate zone and Union rate zones.

18

19 **4. ASSUMPTIONS MADE WITHIN ENBRIDGE GAS'S APPLICATION**

20 The following assumptions underpin Enbridge Gas's Application:

- 21 • Enbridge Gas's storage and transmission facilities qualify as "covered facilities" as
22 determined by the federal Minister of the Environment and Climate Change;

- 1 • the OBS for the transmission of marketable natural gas will be 80% of production-weighted
2 national average emissions intensity, which is 0.419 tCO₂e/MWh;
- 3 • Mandatory participants which emit greater than 50 ktCO₂e (e.g. large industrial customers),
4 which are designated as EITE sector entities and undertake an activity in which an OBS
5 applies, will register under the OBPS and therefore will be exempt from the Federal Carbon
6 Charge as of April 1, 2019;
- 7 • entities eligible for voluntary participation will opt-in to the program in 2019;¹⁸
- 8 • the municipalities, universities, school boards and hospitals (“MUSH”) sector is not included
9 under the OBPS and therefore is subject to the Federal Carbon Charge as of April 1, 2019;
10 and
- 11 • the greenhouse sector will receive 80% relief from the Federal Carbon Charge.

12

13 **5. COMMUNICATION**

14 Enbridge Gas is committed to helping customers understand the effects of the GGPPA on their
15 natural gas bills. A communication plan is attached at Exhibit A, Appendix C. Enbridge Gas has
16 also included information regarding the Federal Carbon Charge in its Conditions of Service for
17 the EGD rate zone at Exhibit A, Appendix D and for the Union rate zones at Exhibit A,
18 Appendix E.

19

¹⁸ Voluntary participants are those who emit greater than 10 ktCO₂e, but less than 50 ktCO₂e, are designated as EITE sector entities, and undertake an activity in which an OBS applies.

1 Enbridge Gas anticipates an increased volume of calls to its customer call centre resulting from
 2 the GGPPA. As such, Enbridge Gas has forecast training costs for its call centre employees as
 3 part of its 2019 administration cost forecast at Exhibit C.

4

5 **6. ADMINISTRATION**

1. Table of Contents	Please see Exhibit A, Schedule 1.
2. Glossary of Acronyms and Terms	Please see Exhibit A, Schedule 2.
3. Parties Affected by the Application	The parties affected by this Application are the customers resident or located in the municipalities, police villages, and First Nations Reserves and Métis organizations served by Enbridge Gas, together with those to whom Enbridge Gas sells natural gas, or on whose behalf Enbridge Gas distributes, transmits, or stores natural gas. It is impractical to set out the names and addresses of such parties because they are too numerous.
4. Internet Address for Application	www.enbridgegas.com/Regulatory-Proceedings and www.uniongas.com/about-us/company-overview/regulatory .
5. Primary Contact Information	Adam Stiers Enbridge Gas Inc. Specialist, Regulatory Initiatives 50 Keil Drive North, Chatham, Ontario, N7M 5M1, P.O. Box 2001 Telephone: (519) 436-4558 Fax: (519) 436-4641 Email: astiers@uniongas.com
6. Bill Impacts	The bill impact for a typical residential customer with annual consumption of 2,400 m ³ is an increase of \$93.93 per year in the EGD rate zone. The bill impact for a typical residential customer with annual consumption of 2,200 m ³ is an increase of \$86.21 per year in the Union South rate zone and \$86.18 per year in the Union North rate zone.
7. Specific Approvals Requested	<ul style="list-style-type: none"> • Approval of pass-through treatment for the costs to comply with the GGPPA (Y Factor) • Approval of interim rates effective April 1, 2019 by February 28, 2019 • Approval of final rates • Approval of five new deferral and variance accounts

ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:

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Evidence

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B	1			Forecasts - EGD Rate Zone
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Schedules

<u>Exhibit</u>	<u>Tab</u>	<u>Schedule</u>	<u>Appendix</u>	<u>Contents</u>
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B	1	1		EGD Rate Zone Customer-Related Volume Forecast
B	1	2		EGD Rate Zone Facility-Related Volume Forecast
B	1	3		EGD Rate Zone Forecast Compressor Emissions
B	1	4		EGD Rate Zone Forecast OBPS Obligation
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B	2	4		Union Rate Zones Forecast OBPS Obligation
B	2	5		Union Rate Zones Customer-Related and Facility-Related Costs
E	1	1		EGD Rate Zone Derivation of Federal Carbon Charge and Facility Carbon Charge Unit Rates
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Appendices

<u>Exhibit</u>	<u>Tab</u>	<u>Schedule</u>	<u>Appendix</u>	<u>Contents</u>
A			A	EGD Rate Zone Sample Bill
A			B	Union Rate Zones Sample Bill
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E	1		A	EGD Rate Zone Summary of Federal Carbon Charge and Facility Carbon Charge Unit Rates
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ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:

GLOSSARY OF ACRONYMS AND TERMS

The glossary is intended to serve as a reference for the benefit of readers in their overall understanding of the terminology used in Enbridge Gas's Application. More detailed definitions may apply to specific terms when used in the context of this application.

APPLICATION – Enbridge Gas's 2019 Federal Carbon Pricing Program Application and pre-filed evidence. An application for just and reasonable rates to recover the costs associated with the GGPPA as a pass-through to customers.

BOARD – The Ontario Energy Board.

CAP-AND-TRADE PROGRAM – Ontario Regulation 144/16.¹

CLIMATE CHANGE ACT – The Climate Change Mitigation and Low-carbon Economy Act, 2016.

CO₂ – Carbon dioxide.

¹ <https://www.ontario.ca/laws/regulation/160144>

CO₂e – Carbon dioxide equivalent.

COMPANY USE – Volumes of natural gas consumed in the operation of Enbridge Gas's facilities including distribution buildings, boilers/line heaters, and NGV fleet volumes (which are subject to the Federal Carbon Charge under Part 1 of the GGPPA).

COVERED FACILITY – An entity registered under the OBPS and therefore exempt from the Federal Carbon Charge for volumes of fuel delivered by Enbridge Gas (i.e. Fuel Charge under Section 40 of the GGPPA). Covered Facilities are classified as mandatory or voluntary based on annual emissions. Covered Facilities are not exempt from Enbridge Gas's Facility Carbon Charges or administration-related costs.

CRA – Canada Revenue Agency.

CREDITS - Issued by the federal government to facilities that achieve annual emissions volumes below their annual output-based emissions limit. Each credit represents one tonne of CO₂e, can be banked for future use against emissions or traded, has a useful life of five years from the period following the year for which the credit was issued, and will be tracked using a centralized system (currently under development).

CUSTOMER VOLUMES – Distribution volumes delivered by Enbridge Gas in Ontario, with the exception of the volumes delivered to customers that hold an Exemption Certificate.

CUSTOMER-RELATED OBLIGATIONS – The obligation related to GHG emissions associated with the natural gas delivered by Enbridge Gas, other than to Covered Facilities.

DCQ – Daily Contract Quantity.

DISTRIBUTOR – An entity that imports or delivers marketable and non-marketable natural gas, and/or that measures consumption of marketable natural gas and is required to register as a Distributor under the GGPPA.²

ECCC – Environment and Climate Change Canada.

EGD – Enbridge Gas Distribution Inc.

EMITTER – An entity deemed by the Minister of National Revenue to be eligible to receive an exemption certificate. The entity must be responsible for a covered facility that has been issued a covered facility certificate by the Minister of ECCC.³

² The GGPPA, s.55.

³ The GGPPA, s.57.

EITE – Energy Intensive and Trade Exposed industrial facilities.

EXEMPTION CERTIFICATE – A certificate issued by the CRA upon an entity’s registration under the OBPS, exempting an entity from the application of the Federal Carbon Charge.⁴

FACILITY CARBON CHARGE – The common volumetric charge proposed by Enbridge Gas, for the EGD rate zone and Union rate zones, to recover the facility costs resulting from the GGPPA related to Enbridge Gas’s: (i) Company Use Volumes including distribution buildings, boiler/line heaters and NGV fleet volumes (which are subject to the Federal Carbon Charge under Part 1 of the GGPPA); and, (ii) transmission and storage compression volumes (which are subject to the OBPS as Enbridge Gas’s transmission and storage system is a “covered facility” under Part 2 of the GGPPA).

FACILITY VOLUMES – Composed of: (i) Company Use Volumes including distribution buildings, boilers/line heaters, and NGV fleet volumes; and, (ii) transmission and storage compression volumes.

FCCCVA – Federal Carbon Charge – Customer Variance Account.

FCCFVA – Federal Carbon Charge – Facility Variance Account.

⁴ The GGPPA, s.36.

FCPP – As part of the GGPPA, a federal carbon pricing program (also known as the “Backstop”) applies in any province or territory that requests it or that does not have an equivalent carbon pricing system in place that meets federal carbon pricing requirements by January 1, 2019.⁵ The FCPP is composed of a charge on fossil fuels and an Output-Based Pricing System.

FEDERAL CARBON CHARGE – As part of the FCPP, a charge applied to fossil fuels imposed on distributors, importers and producers applicable from 2019-2022 and equivalent to \$20/tCO₂e in 2019 and increasing by \$10/tCO₂e annually each April, reaching \$50/tCO₂e in 2022. This charge applies to volumes delivered by Enbridge Gas to its customers and to Enbridge Gas’s Company Use Volumes (i.e. distribution buildings, boilers/line heaters and NGV fleet volumes).

FTE – Full-Time Equivalents.

GGEADA – Greenhouse Gas Emissions Administration Deferral Account.

GGEIDA – Greenhouse Gas Emissions Impact Deferral Account.

⁵ Environment and Climate Change Canada, Technical Paper on the Federal Carbon Pricing Backstop, p. 4, <https://www.canada.ca/content/dam/eccc/documents/pdf/20170518-2-en.pdf>.

GGPPA – The *Greenhouse Gas Pollution Pricing Act*, included as Part V of the Budget Implementation Act, 2018, No. 1.⁶

GHG – Greenhouse Gas as set out in the GGPPA.⁷

ktCO₂e – Kilo-tonne of carbon dioxide equivalent.

LISTED PROVINCE – A province or territory covered under the GGPPA.⁸

MANDATORY PARTICIPANT – Entities that emit 50 ktCO₂e or greater annually and that undertake a primary activity which has an OBS specified, are required to register under the OBPS.

MARKETABLE NATURAL GAS – Natural gas that consists of at least 90% methane and that meets the specifications for pipeline transport and sale for general distribution to the public, as defined by the GGPPA.⁹

MUSH – Municipalities, universities, school boards and hospitals.

⁶ The GGPPA, <https://www.fin.gc.ca/drleg-apl/2018/ggpp-tpcges-l-bil.pdf>.

⁷ The GGPPA, Column 1, Schedule 3.

⁸ The GGPPA, Part 1, Schedule 1.

⁹ The GGPPA, s.3.

MW – Megawatt.

MWh – Megawatt hour.

NGV – Natural gas vehicle.

NON-MARKETABLE NATURAL GAS – Natural gas other than marketable natural gas, as defined by the GGPPA.¹⁰

OBPS – Output-based pricing system; a component of the FCPP that provides an entity relief from the full impact of the Federal Carbon Charge. A registered entity will have a compliance obligation based on the portion of its emissions that exceed the annual output-based emissions limit.

OBPS VOLUMES - Volumes of natural gas consumed in the operation of Enbridge Gas's transmission and storage compressor facilities (which are subject to the OBPS as Enbridge Gas's transmission and storage system is a "covered facility" under Part 2 of the GGPPA).

¹⁰ The GGPPA, s.3.

OBS – Output-based standard; a percentage of production-weighted national average emissions intensity applied to annual facility production to determine annual facility emission limits under the OBPS.

OEB – The Ontario Energy Board.

OFFSET CREDITS – Represent greenhouse gas emissions reductions or removal enhancements generated from Canadian voluntary project-based activities that are not subject to carbon pricing and that would not have occurred under business as usual conditions.¹¹

PDCI - Parkway Delivery Commitment Incentive.

REVOCATION REGULATION – Ontario Regulation 386/18; *Prohibition Against the Purchase, Sale and Other Dealings with Emission Allowances and Credits*.

tCO₂e – Metric tonne of carbon dioxide equivalent. The unit of measure of GHG emissions. A quantity of GHG, expressed in tonnes, is converted into tCO₂e by multiplying the quantity by the global warming potential.¹²

¹¹ Environment and Climate Change Canada, Carbon pricing: compliance options under the federal output-based pricing system, <https://www.canada.ca/en/services/environment/weather/climatechange/climate-action/pricing-carbon-pollution/compliance-options-output-based-system.html>.

¹² The GGPPA, Column 2, Schedule 3.

UNION – Union Gas Limited.

VOLUNTARY PARTICIPANT – Entities that emit between 10 ktCO₂e and 50 ktCO₂e and undertake a primary activity which has an OBS specified may voluntarily register to be part of the OBPS at any point under the FCPP.

JOHN SMITH
123 FAKE STREET
TORONTO, ON M6J 3K3

Service Address
 123 Fake Street Toronto, ON M6J 3K3

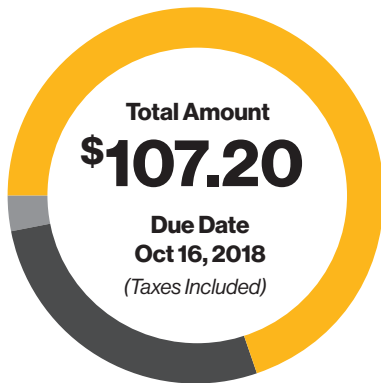
Account Number
 9100 00 00000 0

Bill Date
 Sep 26, 2018



WHAT DO I OWE?

Billing Period Aug 23, 2018 — Sep 24, 2018



- Charges for Natural Gas
- Other Enbridge Charges
- Charges from Other Companies

• See page 2 for details •



HOW MUCH GAS DID I USE?

Meter Reading

Meter Number: 1234567
Estimated: 47339
Previous: 47203

You used

136 m³
 or 4.53 m³ per day

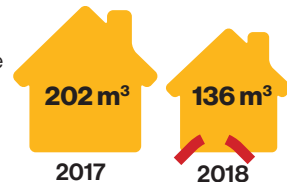
This cost you

\$71.17
 or \$2.37 per day

Did you know?

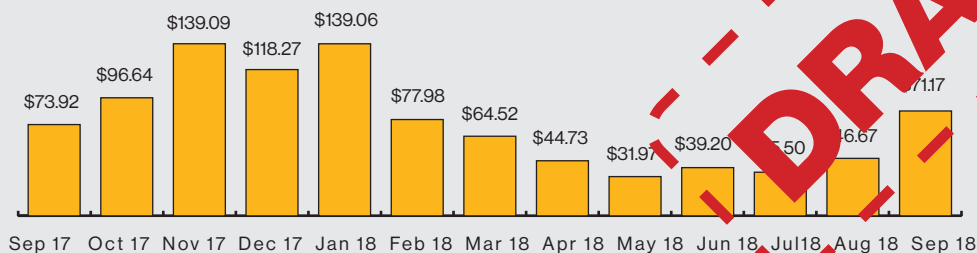
Your use is more this year than it was at the same time last year.

Learn more at enbridgegas.com



MY LAST 13 MONTHS GAS USE

(Taxes Included)



* HST Registration Number: 105205140 RT0001

* Enbridge Gas Distribution charges are to be paid by the Due Date, which is considered to be twenty days after the Bill Date, or within such other time period as set out in the Service Contract. A late payment charge will be applied on any amount not received by the Due Date, which is the twentieth (20th) day following the Bill Date. Interest will be charged at the rate of 1.5% per month (19.56% effectively per annum) until receipt of all of the unpaid Enbridge Gas Distribution charges, including all applicable federal and provincial taxes.

* Enbridge provides a billing service to companies; these companies are not owned by or affiliated with Enbridge. Their charges appear in the "Charges from Other Companies" section of your bill. Enbridge does not recommend, endorse or guarantee the products or services offered by such companies. For questions about their products or services, you should contact them directly.

SMELL GAS? 1-866-763-5427

For Inquiries: 1-877-362-7434 **enbridgegas.com**
Make Payments to: PO Box 644 Scarborough, ON M1K 5H1
 [----- LEGAL NAME HERE-----]

UPDATED: 2019-01-11
 EB-2018-0187
 EB-2018-0205



WHAT AM I PAYING FOR?

Billing Period Oct 20, 2017—Nov 16, 2017

Balance from Previous Bill	\$136.28
Payment Received [June 5, 2017]	\$136.28 ^{CR}
Balance Forward & Past Due	\$0.00
Charges for Natural Gas	\$71.17
Other Enbridge Charges	\$3.16
Charges from Other Companies	\$32.87
Total Amount Due	\$107.20



MY PAYMENT ARRANGEMENT

Exhibit A

Appendix A
 Page 2 of 3

Nov 24, 2017	\$50.00
Dec 01, 2017	\$50.00
Dec 08, 2017	\$ 21.41
Total	\$121.41



WHAT DO I NEED TO KNOW?

- IMPORTANT NOTICE**
GAS RATES HAVE CHANGED
 Please see the enclosed notice for further details.

CHARGES FOR NATURAL GAS

Customer Charge	\$20.00
Delivery to You	\$18.60
Transportation to Enbridge	\$6.42
Gas Supply Charge	\$12.75
Cost Adjustment	\$0.11 ^{CR}
Federal Carbon Charge	\$5.32
Charges for Natural Gas	\$62.98
HST	\$8.18
Total Charges for Natural Gas	\$71.17

OTHER ENBRIDGE CHARGES

Rate Adjustment	\$3.24
HST	\$0.42
Total Other Enbridge Charges	\$3.66





CHARGES FROM OTHER COMPANIES



Enercare Account Number	123456789
Rental Water Heater Oct 20, 2017 - Nov 17, 2017	\$29.09
HST (Registration - 853971083)	\$3.78
Total Charges from Other Companies	\$32.87



MESSAGES FROM OTHER COMPANIES

UPDATED: 2019-01-11
 EB-2018-0187
 EB-2018-0205
 Exhibit A
 Appendix A
 Page 3 of 3

Enercare Home Services

Billing 905-943-6944 or 1-888-386-1134
 Sales & Service 1-866-203-8829

Cure "AC-breakdown-itis" this summer. Save up to \$1,000 in rebates & discounts on a select premier air conditioner from Enercare. Conditions apply, call for details.



JOHN SMITH
123 FAKE STREET
TORONTO, ON M6J 3K3

Service Address
 123 Fake Street
 Toronto, ON M6J 3K3

Account Number 9100 00 000000
Total Amount Due \$107.20
Due Date* Oct 16, 2018

Amount Paid

\$

9100150137400000085800000085801707246

Your Union Gas bill

June 8, 2018 to July 7, 2018

Page 1 of 2
 Bill date: July 13, 2018
 Account number: 111-1111 111-1111

JOSEPH TESTER

For service at:
 40 TEST ST
 CHATHAM
 Meter number: 111-1111

Customer Contact Centre
 Call 1-888-774-3111
 Gas emergencies only
 Call 1-877-969-0999

Visit us at: uniongas.com

Tax number: R119465367

There will be no change to natural gas rates in July. The standard quarterly rate adjustment to reflect changes in market prices has been deferred until the next scheduled update in October.

Secure or move your pet during scheduled meter reading and customer service calls. Visit uniongas.com/petsafety for more.

Summary of what you owe

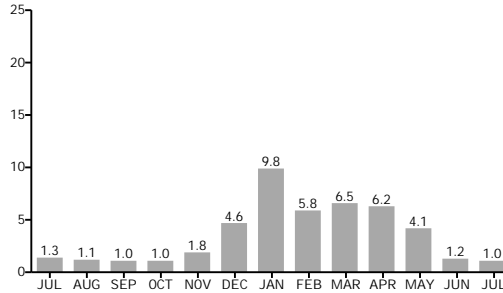
1	Amount owing on your last bill	\$78.00	
	Payments received before July 13	-\$78.00	
Your balance forward			\$0.00
8	New Charges this billing period - details on page 2		
	Union Gas charges this billing period	\$27.63	
	Federal carbon charge this billing period	\$0.59	\$28.22
	HST		\$3.67
13	Total payment now due		\$31.89

15 *The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate*
 17 *effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the*
 18 *bill if full payment is not received by the late payment effective date of August 2, 2018.*

Comparing your monthly gas use

You used 14.988 cubic metres in this billing period.

	This month	This last year month	Last month
Number of billing days	30	15	30
Average outdoor temperature	18°C	18°C	16°C
Your average daily gas use in cubic metres	1.3	1.0	1.2



Tear off here - keep top part for your records

DRAFT

50019950041830984080200000780000000000000000007

76NM
0804

186



See page 2 for payment options. If paying by mail, return this slip with your payment to the address below. Make your cheque payable to Union Gas and write your account number on the front.

Your account number:
111-1111 111-1111

Total payment due \$31.89

JOSEPH TESTER
 40 TEST ST
 CHATHAM ON
 N7L5M5

UNION GAS
 PO Box 4001 STN A
 Toronto ON M5W 0G2

Amount paid \$

A late payment charge will apply after August 2, 2018.

10000010000101011

Your Union Gas bill

June 8, 2018 to July 7, 2018

JOSEPH TESTER

Gas you used this period	
Actual meter reading on Jun 8, 2018:	10215.1
Actual meter reading on Jul 7, 2018:	10230.1
Difference between the readings in M3:	14.988
Factor(s):	
Barometric pressure:	1.00000
Gas you used in M3:	14.988

Delivery
Delivery includes the cost of delivering natural gas to you through our distribution system.

Price adjustments
Price adjustments are credits or charges that make up the difference between certain forecast costs and actual costs.

Monthly charge
This set amount is charged to each customer regardless of the amount of gas used. It helps cover the cost of maintaining a safe and reliable gas distribution system, and includes meter reading, customer service and 24-hour emergency response.

Meter reading
We plan to read the gas meter at your address every month. If we can't, we'll estimate your gas use. You can also submit your meter reading to us at uniongas.com/meterread or by telephone at 1-888-774-3111. Simply record the numbers from your meter from left to right.

Call before you dig
Remember to call before you dig. Contact Ontario One Call at on1call.com or 1-800-400-2255 for free underground utility locates.

DRAFT

Visit us at: uniongas.com

Teller's receipt stamp

New Union Gas charges

Gas used	14.988 cubic metres @	21.6840¢	3.25
Gas price adjustment	14.988 cubic metres @	13.3440¢	2.00
Storage	14.988 cubic metres @	0.7331¢	0.11
Storage price adjustment	14.988 cubic metres @	0.0039¢	0.00
Delivery	14.988 cubic metres @	8.4067¢	1.26
Delivery price adjustment	14.988 cubic metres @	0.0825¢	0.01
Monthly charge			21.00
Total new Union Gas charges			\$27.63

Federal carbon charge

Federal carbon charge	14.988 cubic metres @	3.9100¢	0.59
Total new federal carbon charge			\$0.59

Total new charges this billing period **\$28.22**

Payment options

Total payment is now due. Non-payment may result in the disconnection of your gas service.

Here are your payment options:

- direct withdrawal from your chequing account
- online or telephone banking
- cheque, by mail (tear off and include this bottom portion of your bill)
- most financial institutions in Canada (please take your entire bill with you).

Enbridge Gas Inc.
Federal Carbon Pricing Program Communication Plan

Objectives

Enbridge Gas Inc. (“Enbridge Gas”) has developed this communication plan to ensure that customers are informed about the Federal Carbon Pricing Program (the “FCPP”), which aims to reduce greenhouse gas (“GHG”) emissions by putting a price on carbon. This communication plan will also outline how Enbridge Gas will provide information to customers about the Company’s energy efficiency programs, which assist in reducing GHG emissions effectively lowering natural gas bills.

Target Audiences

FCPP-related customer communications will be directed to the following audiences:

- Mass-market customers
 - Residential customers
 - Small business customers
- Business customers
 - Large commercial/industrial customers including greenhouse sector
 - Gas-fired power generators
 - Mandatory and voluntary (opt-in) entities in the Output-Based Pricing System (“OBPS”)
 - Energy marketers
- Internal (primarily customer-facing staff)
 - Call centre staff
 - Large volume customer account executives
 - Government relations, municipal and indigenous relations and district managers

Communication Themes

Enbridge Gas’s FCPP-related communications will focus on explaining the effects of the FCPP on natural gas customers.

1. How the FCPP affects customer bills, including:
 - anticipated FCPP costs;
 - the Ontario Energy Board’s role in reviewing and approving FCPP unit rates before they are passed-through to customers; and
2. FCPP specifics via Enbridge Gas’s and the Federal Government’s websites.

3. Ways to reduce GHGs and costs:

- Since GHGs and the cost of the FCPP are primarily determined by the amount of natural gas a customer uses, Enbridge Gas will continue to highlight its role in deploying energy efficiency programs in an effort to help reduce GHG costs.

Customer Outreach

Enbridge Gas will continue to listen to the needs of customers as they relate to the FCPP through existing channels:

- calls to the residential customer call centre;
- calls to the business customer call centre;
- calls to the Ombudsman's office;
- social media;
- media monitoring;
- presentations to associations, etc. and related questions and feedback; and
- large volume account executive interactions with customers.

Communications Strategy

Information will be shared with customers across a variety of existing, cost-effective communication channels including but not limited to:

- call centre and employee scripts and messages
- Enbridge Gas's websites:
 - webpages dedicated to communicating information about FCPP; and
 - link to Enbridge Gas's energy efficiency tips and programs.
- tariff sheets and quarterly rate notice
- standalone bill insert to introduce the FCPP
- on-bill envelope message or on-bill message, if warranted
- social media, if warranted
- presentations to various audiences, such as large volume customer meetings, conferences and trade shows
- links to the Federal Government's website detailing specific information about FCPP
- specific communication with large volume customers through the annual large volume customer meeting, customer newsletters, account executive interactions such as one-on-one meetings, and/or periodic email updates

Timelines

Enbridge Gas will continue to monitor and evaluate the FCPP as it evolves and provide communications to customers as needed. To date, Enbridge Gas has completed the following communications:

- launched FCPP webpages for Union and EGD rate zones;
- completed targeted emails to large volume customers providing information on the FCPP and OBPS registration;
- presented FCPP information at large volume customer (legacy Enbridge Gas Distribution) and energy marketer (legacy Union Gas) meetings; and
- provided key messages and scripts to call centres and Ombudsman's office.

In addition, to ensure that customers are well-informed, Enbridge Gas intends to issue additional FCPP-related bill messaging via a standalone bill insert, and potentially an on-envelope message and/or on-bill message. Enbridge Gas will continue to use cost effective strategies, such as its websites, bill related vehicles, targeted emails and call centre messaging, to communicate the details and impacts of the Program to its customers going forward.

ENBRIDGE GAS INC.

CONDITIONS OF SERVICE for the EGD Rate Zone January-April 2019

Revision History

Version #	Date of Revision	Description (e.g. "First Draft", "Final Approval Copy")
1.0		First Draft
2.0	2011/12/30	<p>Section 6.1 Setting Up an Enbridge Account to include the requirement to provide Enbridge with 3 days advance notice of a move. If notification is not received Enbridge will only retroactively adjust the account for a maximum of 30 days from the date notification is received. This will be implemented starting Jan 1 2012.</p> <p>Section 6.3 Security Deposits to revise the good payment history period for return of a security deposit from 24 to 12 months. This will be effective from Jan 2012.</p> <p>Section 6.5 Correction of Billing errors to restrict the period of correction for over or under billing to two years. This will be implemented starting Jan 1 2012.</p> <p>Section 6.9 Management of Customer Accounts originally stated "In a landlord tenant situation Enbridge will follow directions recorded on the account when gas service was initially established". The phrase "when gas service was initially established" has been removed to allow for updated directions to be received from a Landlord.</p>
3.0	2012/03/30	<p>Section 6 now gives a short description of accounts that are classified as Commercial for reference</p> <p>Section 6.1 Setting Up an Enbridge Account removed reference to when these conditions remain in effect</p> <p>Section 6.2 Meter Reading informs customers that they must give access to Enbridge to read the meter at least one per 12 months</p> <p>Section 6.6.3 Discontinuance of Service for Non Payment to inform customers that the Disconnection notice now includes the dates between which the gas service can be disconnected and payment options for avoiding disconnection. This was effective from Jan 2012</p> <p>Section 6.7 Arrears Management Programs to inform customers of the cancellation of installment plan letter. This was effective from Jan 2012. Also to advise customers working with a Social Assistance agency that they will be given 21 days to secure emergency financial assistance before additional Collections action will be taken. This was effective from Jan 2012.</p> <p>Section 6.9 Management of Customer Accounts to inform Landlords of the new process of recording Landlord directions for the properties they own/manage. This was effective March 2012.</p>
4.0	2013/1/1	Section 6 now includes information for Low Income Customers.
5.0	2016/03/07	<p>This revision captures several typographical and grammatical errors, updates the titles of various Enbridge documents, and clarifies several sections of the document.</p> <p>4. Inserted definition of "applicant".</p> <p>4.2 Substantial revision of "Service Installations" to reflect Enbridge's current practices and to clarify when a CIAC will be required.</p> <p>4.3.2 Included references to service regulators.</p> <p>4.5 Moved definition of "building piping" from Appendix A to Section 4.5 as this is the only instance in the document in which the term is used.</p> <p>4.6 Clarifies that the customer must make repairs or adjustments prior to the gas being turned on by Enbridge.</p> <p>5.2.1 Inserted a new paragraph (the last paragraph) describing the process if the customer does not respond to a meter exchange notice.</p>

	<p>5.2.2 Amended section to refer to the specific sections of the Electricity and Gas Inspection Act, and delete the previous summary of those sections.</p> <p>6. Note: All Conditions of Service pertaining to eligible low-income customers have been consolidated in Section 6.11, and cross-references have been inserted in each relevant provision of Section 6 directing readers to Section 6.11 for information applicable to eligible low-income customers.</p> <p>6. Clarifications have been made throughout Section 6 to consistently refer to the “Enbridge bill” and “all items billed on your Enbridge bill”.</p> <p>6.2 Deleted the reference to a customer providing access for meter reading purposes at least one every twelve (12) months and combined the first and second sentences to clarify that we need access to the meter for the actual meter readings.</p> <p>6.3 Revised the security deposit section to clarify that a security deposit is required if the customer cannot meet Enbridge’s “know your customer” identification requirements. In the security deposit waiver criteria list: (i) deleted the reference to a customer providing a reference letter from another utility in Canada; and (ii) included a reference to a customer requesting Enbridge to conduct a credit check and meeting Enbridge’s credit requirements. Added the last paragraph to Section 6.3 regarding the conduct of credit checks by Enbridge.</p> <p>6.4.1 Enbridge has recently simplified the text on its bill. This section has been substantially revised to reflect the “plain language” definitions on the current Enbridge bill.</p> <p>6.4.2 Modified to reflect the title on the Enbridge bill: “Charges for <i>Natural Gas</i>” (amendment in italics).</p> <p>6.4.3 Modified description of “Charges from Other Companies” to clarify that the billers are not owned by or affiliate with Enbridge, and Enbridge does not recommend, endorse or guarantee their products or services.</p> <p>6.4.4 Included the website reference for Paperless Billing sign up.</p> <p>6.4.5 Included suggested timelines to submit payment to avoid the late payment charge for payments made online, in a financial institution or by standard mail. Updated the “Credit Card” section to remove the reference to a specific dollar amount, and refer to the fees payable to the third party credit card service provider. In addition, included the caveat that a customer can only pay by credit cards accepted by the credit card service provider.</p> <p>6.5 Revised to provide clarity with respect to retroactive billing for all charges on the Enbridge bill.</p> <p>6.6.3 Inserted the second-last paragraph pertaining to disclosure of notice of a pending disconnection to the landlord of a rented property. Amended the last paragraph to include “or any other charges” in the second line.</p> <p>6.8 Amended to provide that, after payments are allocated to the oldest billed amount, payments will then be applied to gas charges first and then non-gas charges. The previous Conditions of Service provided that payments would be allocated to the oldest billed amount, and then applied to the non-gas charges first.</p> <p>6.9 Inserted a new section “Management of Landlord/Tenant Accounts” to expand on a paragraph in the previous Conditions of Service and to incorporate information from our website pertaining to accounts for rented properties.</p> <p>6.10 Included information pertaining to our collection of information (including personal information) and a reference to the Privacy Policy. Inserted the second-last paragraph pertaining to disclosure of notice of a pending disconnection to the landlord of a rented property. Inserted the last paragraph dealing with Enbridge’s “know your customer” process.</p> <p>6.11 Consolidated the Conditions of Service provisions pertaining to eligible low-income customers in one section (where relevant, there are cross-references to Section 6.11 in the earlier provisions of Section 6). Inserted a reference to the</p>
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		<p>United Way Greater Simcoe County to assist customers who wish to determine if they qualify for LEAP.</p> <p>6.12 Amended to reflect the correct title (Ombudsman, not Ombud) and change the reference to “dispute resolution” process to “customer service” process to reflect the language used on our website.</p> <p>Appendix A has been modified to reflect the definitions on the current Enbridge bill (“plain language”) and remove defined terms that are not used elsewhere in the Conditions of Service.</p>
6.0	2016/09/30	<p>This revision clarifies and updates the following sections of the document:</p> <p>Section 4.3.3 Added a new section to detail the requirements for an external regulator room.</p> <p>Section 6.2 Amended to provide greater detail on the customer’s need to provide access to the gas meter.</p> <p>Section 6.3 Amended the pre-authorized payment criterion for the waiver of the security deposit requirement to provide that the customer must sign up for Enbridge’s Pre-Authorized Payment Plan and paperless billing.</p> <p>Section 6.4.4 Updated to reflect a new option to set payment reminders and/or payment notifications, and to provide notice that new gas customers will be automatically enrolled in paperless billing unless they request otherwise.</p> <p>Section 6.4.5 Updated to reflect that customers can sign up for the Enbridge Pre-Authorized Payment Plan or update their Pre-Authorized Payment Plan online.</p>
7.0	2017/09/18	<p>Section 6.1 Added language to support disconnection process in cases where a premise is deemed vacant.</p> <p>Section 6.4.4 Renamed Paperless Billing to eBill.</p> <p>Section 6.5 Amended back billing language to ensure it offers the flexibility to act in the customer’s best interest.</p> <p>Section 6.9 Direct Landlords to the web for details on their options to manage tenanted properties</p>
8.0	2018/12/14	<p>This revision reflects the amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited, and the name of the amalgamated company. The amalgamated company will be called Enbridge Gas Inc., or “Enbridge” as referred to herein, and continue to operate parts of its business as Enbridge Gas Distribution in its EGD Rate Zone.</p>
<u>9.0</u>	<u>2019/01/11</u>	<p><u>Section 6.4.1 Added language to describe the Federal Carbon Charge</u></p>

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Preface

Enbridge Gas Inc. was formed by the amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited on January 1, 2019. Enbridge Gas Inc., or “Enbridge” as referred to herein, continues to operate parts of its business as Enbridge Gas Distribution in its EGD Rate Zone. As Canada’s largest natural gas distribution company, Enbridge has been providing natural gas services in a safe and reliable manner for more than 160 years, and currently provides service to over 2 million homes and businesses.

These Conditions of Service describe in summary form Enbridge’s operating practices and policies in its EGD Rate Zone, and are provided as part of our commitment to providing our customers with safe and reliable gas services.

We reserve the right to modify the contents of the Conditions of Service at any time. These Conditions of Service are meant as guidelines and do not supersede any terms and conditions set out in Enbridge’s Rate Handbook, or agreed to in our contracts with you.

1. Enbridge Franchise Area and Gas Distribution Services

The following is a current list of cities and towns to which Enbridge provides distribution services.

Eastern Region

Admaston	Hawkesbury	Ottawa
Alfred & Plantagenet	Horton	Pembroke
Arnprior	Laurentian Hills	Perth
Beckwith	Laurentian Valley	Petawawa
Brockville	Leeds and Grenville	Renfrew
Carleton Place	McNab-Braeside	Rideau Lakes
Casselman	Merrickville-Wolford	Russell
Champlain	Mississippi Mills	Smiths Falls
Clarence-Rockland	Montague	South Glengarry
Deep River	North Glengarry	Tay Valley
Drummond-North Elmsley	North Grenville	The Nation
Elizabethtown-Kitley	North Stormont	Whitewater Region

Central Region

Adjala	East Luther Grand Valley	Penetanguishene
Ajax	Erin	Peterborough
Amaranth	Essa	Pickering
Asphodel-Norwood	Georgina	Richmond Hill
Athens	Grey Highlands	Scugog
Aurora	Havelock Belmont Methuen	Severn
Barrie	Innisfil	Shelburne
Bradford-West Gwillimbury	Kawartha Lakes	Smith-Ennismore-Lakefield
Brampton	King	Southgate
Brighton	Markham	Springwater
Brock	Melancthon	Tay
Caledon	Midland	Tiny
Cavan Monaghan	Mississauga	Toronto
Clarington	Mono	Trent Hills
Clearview	Mulmur	Uxbridge
Collingwood	New Tecumseh	Vaughan
Douro-Dummer	Newmarket	Wasaga Beach
Dufferin	Orangeville	Wellington
Durham	Oshawa	Whitby
East Garafraxa	Otonabee S- Monaghan	Whitchurch
East Gwillimbury		

Niagara Region

Fort Erie
Grimsby
Lincoln
Niagara Falls

Niagara-on-the-Lake
Pelham
Port Colborne
St. Catharines

Thorold
Wainfleet
Welland
West Lincoln

2. Gas Distribution Services

2.1. Gas Supply and Delivery

Gas will be delivered and (if a customer purchases its gas from Enbridge) supplied to our customers within our franchise area under the following circumstances:

- there is sufficient supply of gas;
- there is sufficient capacity in Enbridge's distribution system; and,
- the supplying and/or delivering of gas is economically feasible.

2.2. Gas Supply and/or Delivery Under More than One Rate Schedule

Gas may be delivered and, if applicable, supplied under more than one rate provided the customer meets all the applicability requirements of each rate schedule as approved by the Ontario Energy Board. Gas delivered and, if applicable, supplied under each rate schedule will normally be metered separately but may be taken through one meter provided Enbridge and the customer agree in writing upon a formula for determining the delivery and supply services that the customer will purchase under each rate schedule.

2.3. Interruptions in Gas Distribution and/or Supply

Customers may be required to curtail or discontinue the use of gas if the supply of gas is jeopardized by any of the following:

- in the event of actual or threatened shortage of gas due to circumstances beyond the control of Enbridge;
- when curtailment or restriction is ordered by any government or agency having jurisdiction; or
- for any force majeure event (described below).

Enbridge shall not be liable for any loss of production, nor for any damages whatsoever due to such curtailment or discontinuance. Enbridge may also interrupt service from time to time for repair and maintenance of facilities. Except in the case of an emergency, Enbridge will provide affected customers with reasonable notice of such interruption.

2.4. Force Majeure

Customers of Enbridge shall not have any claim against Enbridge for damages sustained as a result of the interruption or cessation of gas deliveries caused by force majeure which include:

- acts of God, the elements;
- labour disputes, strikes, lockouts;
- fires, accidents;
- the breakage or repair of pipelines or machinery;
- curtailment by an upstream gas transporter;
- depletion or shortage of gas supply;
- order of any legislative body or duly constituted authority; or
- any other cause or contingencies beyond the control of Enbridge.

3. Rate Schedule

3.1. Changes in Rate Schedules

In the event the Ontario Energy Board amends the rate schedules of Enbridge, the amended price or amended terms and conditions shall apply to services provided under the rate schedules after the effective date established by the Ontario Energy Board.

4. Initiation of Service

A potential customer that has applied for natural gas service is referred to in this section as the “applicant”.

4.1. Main Extensions

Enbridge will extend its gas main within its franchise area to serve new customers when it is feasible, in accordance with Enbridge’s feasibility policy and procedures, to do so. Enbridge will look at the following when determining feasibility:

- the number of potential new customers within the next five years;
- the amount of natural gas to be used; and,
- the cost of extending the gas main.

If the cost of the extension is not economically feasible, the applicant(s) will be required to pay a contribution in aid of construction (CIAC). Enbridge will determine the contribution amount and communication will be provided to the applicant(s) in writing.

4.2. Service Installations

As part of the process to connect an applicant to Enbridge’s natural gas distribution system, we complete a construction estimate to assess the costs associated with your installation. We perform a feasibility analysis to determine whether there are any charges to the applicant for the service installation. Applicants may be required to pay a contribution in aid of construction (CIAC) as your share of the costs to make the installation financially feasible.

The installation costs will vary depending on the nature of the installation. Factors that may affect the installation costs include: the size and type of material required; the cost of required permits or fees; obtaining any land rights; complexity of construction, including the need for horizontal directional drilling, or proximity to a high-pressure or sensitive gas main; and environmental or geotechnical considerations, such as the presence of rock.

Enbridge will determine the location at which the service will enter a building. The normal point of entry will be through the wall nearest to the gas supply. Where feasible, and at Enbridge’s sole discretion, the service may be installed to accommodate requests made by an applicant. The applicant will be responsible for additional costs incurred by Enbridge associated with any such accommodation, if such accommodation affects the feasibility analysis for the installation.

If a CIAC is required, Enbridge will notify the applicant of the CIAC and the applicant may be required to sign a CIAC agreement. Once the CIAC has been paid in full by the applicant, Enbridge will process the application for service and plan the installation based on the next available appointment.

If an applicant for gas service requests an installation that requires part of the service or main to be installed on property that is not owned by the applicant, land rights (in the form of an easement) from the property owner will be required for the installation and maintenance of all necessary gas lines and equipment. The cost of obtaining such land rights will be included in the installation costs (and the CIAC, if applicable). If there are difficulties obtaining the necessary land rights, this will impact the timing of the installation or whether the installation can proceed.

Enbridge will try to restore property to the approximate condition in which it was found before starting our operations. This includes property that is excavated or may be disrupted during laying, constructing, repairing or removing our facilities. Restoration costs are included in the installation costs (and the CIAC, if applicable).

Based on the many factors affecting construction, Enbridge cannot guarantee the time it will take to install a new service.

It is important that you activate your natural gas account within six months of installation. If you do not have an active gas account within six months of installation of a new gas service, you will be required to pay Enbridge's installation costs.

4.3. Location of Meter and Service Regulators

Enbridge shall supply each customer with a meter of a size and type that will adequately measure the gas supplied. Enbridge shall:

- 4.3.1 Make every effort to install meters and service regulators so as to be at all times accessible for inspection, reading, testing, maintaining and exchanging.
- 4.3.2 Not install meters or service regulators in locations prohibited by law. The following locations are specifically prohibited:
 - o For meters: (i) under combustible stairways; (ii) unventilated areas; (iii) inaccessible areas; or (iv) within 90 cm (3 feet) of a source of ignition; and
 - o For service regulators: within 90 cm (3 feet) of a building opening, and within 305 cm (10 feet) of a mechanical air intake).
- 4.3.3 Install all meters outside the building to which gas is supplied except in rare circumstances where it not practical. Service regulators must always be installed outside the building. However, Enbridge does permit meters and service regulators to be installed in an External Regulator Room (ERR). There are specific criteria which must be met in order for the installation to be approved. The customer must contact Enbridge in advance of the installation to understand the criteria, agree to the conditions, and obtain approval to proceed. It is important to note life safety generator stations are not permitted to be installed inside an ERR.
- 4.3.4 Provide protection where outside meters and regulators are installed in locations that do not afford reasonable protection from damage.

Anyone who is not an authorized agent of Enbridge shall not be permitted to connect or disconnect our meters or regulators, nor shall any piping be connected to or disconnected from Enbridge's facilities except by representatives of Enbridge.

Customers are responsible, subject to the provisions of paragraph 4.3.4, for protecting all metering and regulating equipment necessary for the supply of gas and for keeping it accessible at all times.

4.4. Alterations

Alterations or service relocation requests will be dealt with as follows:

- The cost of work done to relocate existing equipment solely for the convenience of the customer will be charged to the customer.
- The undepreciated cost of any equipment abandoned as a result of relocation for the customer's convenience, or replacing equipment to increase their capacity to accommodate a customer's increased requirements, may be charged to the customer.

4.5. Customer Responsibilities Regarding Building Piping Appliances & Equipment

As an applicant for service, a customer shall:

- at their own expense, install all piping, controls, safety devices and other attachments necessary from the meter to the equipment or appliances served;
- ensure the building piping, appliances and equipment are installed in accordance with regulations made under the authority of statutes passed by the Province of Ontario establishing the requirements for the installations of such facilities; and
- be responsible for maintaining all building piping, appliances and equipment in a good and safe condition. Such maintenance will be at the customer's own expense.

Building piping includes pipe, whether indoors, outdoors, exposed or buried, which brings gas from the "point of delivery" to each point of utilization including plugged or capped gas valves.

If there is a leakage or escape of gas on a customer's premises, the customer is required to notify Enbridge immediately by calling our emergency number at 1-866-763-5427.

Enbridge shall not be liable to the customer for any damages. The customer shall indemnify Enbridge from and against all loss, costs, damages, injury, or expense associated with any injury or damage to persons or property arising, either directly or indirectly, from or incidental to the escape of gas or products of combustion of gas from building piping, venting systems or appliances on the customer's side of the point of delivery.

For the purposes of inspecting or repairing or of altering or disconnecting any service pipe within or outside the building, the customer shall ensure that free access is permitted to Enbridge at all reasonable times, and upon reasonable notice given and request made, to all parts of every building or other premises to which gas is supplied.

4.6. Inspections of New Installations

All inspections shall conform to the *Technical Standards and Safety Act* and regulations. In particular, all new installations of supply piping, gas appliances and installations will be inspected prior to gas being introduced to a building in accordance with the *Technical Standards and Safety Act* and regulations. If an inspection reveals that repairs or adjustments are required, the customer will be advised and repairs or adjustments to the customer's equipment must be completed by the customer prior to the gas being turned on.

5. Maintenance of Service

5.1. Turning Off and Turning On Gas Supply

In an emergency, the gas supply to appliances may be turned off in the interest of safety. Only a qualified person holding an appropriate certificate from the regulatory authority having jurisdiction may turn on the supply of gas to appliances which have been turned off.

Except in the case of a notification of a hazard, the turning on and off of the gas supply for purposes of installing, servicing, removing or repairing gas appliances may only be done by a person certified to perform this work by the regulatory authority having jurisdiction.

5.2. Meter Exchange and Testing

5.2.1 Meter Exchange

Under Government of Canada regulations (Section 12 of the *Electricity and Gas Inspection Act*), Enbridge is required to periodically exchange gas meters for government inspection.

To complete the meter exchange, we will shut off the gas supply to your existing meter, replace it with a new meter and then relight and inspect all of your natural gas equipment. There is no charge for this service.

If we are required to exchange your meter we will contact you via letter or telephone. Please call the number provided to make an appointment. The inspector who comes to your property will carry valid Enbridge photo ID and you may ask to see it before providing access to your property.

There may be times where there has been no response to our attempts to contact you. In those cases, the meter will be exchanged and left off. A card will be left at your property requesting you to call our service department for an appointment; please call our service department and we will return to unlock your meter and to relight your natural gas appliances.

5.2.2 Meter Testing

Should a meter fail to register the amount of gas used, consumption shall be estimated by Enbridge and supply and/or delivery charges shall be paid for by the customer in accordance with such estimate.

Should a customer dispute the accuracy of a meter, you can apply to have a government inspection of your meter (please refer to Sections 23 and 24 of the *Electricity and Gas Inspection Act*).

In the event of an erroneous connection or incorrect use of an apparatus, the error shall be deemed to have existed from the time of connection.

In the event it can be, through records, determined when an error occurred, the bill will be retroactive to that time.

6. Customer Service for Residential and Low-Income Customers

For the purposes of this section, “customer” means a residential customer (referred to as “you” in this section). If you are a low-income customer, our Conditions of Service pertaining to eligible low-income customers are set out in Section 6.11.

Any property which receives gas distribution services for non-residential purposes is classed as a “commercial” account and this Section 6 would not apply.

6.1. Setting up an Enbridge Account

Whether you are a first time customer of Enbridge or moving from an existing Enbridge account, you need to notify us before taking possession of a new home. Enbridge requires at least 3 business days (including Saturdays) advance notice of a move. You agree to pay for services provided, and are liable for all gas supplied to the premises and for the safe custody of Enbridge property. If advance notice is not given Enbridge will only retroactively adjust the account for a maximum of 30 days from the date notification is received. If you do not set up a new Enbridge account, we will consider the premise vacant and eligible for discontinuance of service.

On our website you will find information on how to submit either an “Open a New Enbridge Account” or “I’m Moving” form. You can also call the Enbridge Call Centre at 1-877-362-7434.

6.2. Meter Reading

Enbridge reads your meter every other month and will estimate your consumption based on your historical gas usage in between readings; customers must provide access to Enbridge or its agent for meter reading purposes. This includes refraining from placing plants, permanent structures, and other objects within 60 centimeters (24 inches) around the gas meter that may be accidentally damaged by meter readers or technicians trying to access the meter. Enbridge representatives will attempt to use the shortest access route from a path or driveway to access the Enbridge meter. During winter weather, where the Enbridge representative is not aware of what may lie beneath the snow, Enbridge cannot guarantee that plants and other objects may not be walked upon. If Enbridge’s representative is unable to read the meter, a bill will be issued based on an estimated reading. If Enbridge has been unable to read a meter during normal working hours, arrangements will be made to obtain a reading at the customer’s convenience. You can also submit your own meter reading using the “Submit Meter Reading Form” on our website at www.enbridgegas.com/meter or, alternatively, you can call the Enbridge Call Centre at 1-800-268-5442.

6.3. Security Deposits and Credit Checks

Security deposits are collected to secure payment for future charges in the event of a customer not paying their bill. To protect against losses, Enbridge reserves the right to request a security deposit from its customers as a condition of supplying gas service. All new residential customers are subject to a security deposit, unless they meet one of the waiver criteria outlined below. If you are required to

pay a security deposit, an amount of \$250.00 will be charged on your next Enbridge bill. Payment of the security deposit is required by the late payment effective date indicated on your bill.

A security deposit will be required if the customer cannot meet Enbridge's "know your customer" identification requirements, regardless of whether one or more of the waiver criteria are met.

Enbridge will waive your security deposit requirement if you meet our criteria, which include the following:

- If you have moved and your previous Enbridge account has a good payment history;
- If you request us to conduct a credit check and you meet our credit requirements; or
- If you are an eligible low-income customer and meet the criteria set out in Section 6.11 of these Conditions of Service (Customer Services for Low-income Customers).

Enbridge will review all security deposits on a monthly basis from the date the deposit is fully paid. If you have paid a security deposit, it will be refunded (with interest) once you have demonstrated good payment history for a period of 12 months, and the refund will appear as a credit on the following Enbridge bill.

Good payment history is maintained unless you have experienced any of the following:

- Your account has been in arrears in the last 12 months;
- Receipt of a disconnection notice from Enbridge;
- A payment you provided to Enbridge has been returned for insufficient funds; or
- Your gas has been turned off due to non-payment.

Interest earned on your security deposit will be paid upon return of all or any part of the security deposit or at the time you close your account, whichever comes first. Simple interest will be earned on all security deposits except those held for a total of six months or less. The interest rate applicable to security deposits in any year will be established quarterly and will be based upon the Ontario Energy Board prescribed interest rates. Interest is calculated retroactively to the date the security deposit was received.

Security deposits are not to be considered as prepayments for future charges.

From time to time, Enbridge may investigate your credit record and conduct a credit check (including obtaining a credit report) to support Enbridge's billing and collections processes. Such actions may be taken in connection with the review of your application for service, determination of whether a security deposit is required, account amendment or renewal, account collection action or dispute investigation. Enbridge may also report information (such as late payments, missed payments or other defaults) about your account to credit reporting agencies.

6.4. Bill Issuance and Payment

6.4.1 Your Monthly Bill

The Ontario Energy Board regulates and approves Enbridge's charges. Enbridge charges you the following on a monthly basis, as applicable:

- **Customer Charge**

The cost of our operations, customer and emergency services. This charge is billed monthly whether or not you consume gas during the month.

- **Transportation to Enbridge**

The cost of transporting natural gas from Western Canada and the US to Enbridge in Ontario. You can choose to buy transportation services from Enbridge or a marketer (in which case, the price you pay for the Transportation to Enbridge charge depends on the contract terms with your marketer). This charge is billed based on the amount of natural gas consumed.

- **Delivery to You**

The cost to safely and reliably deliver natural gas through Enbridge's distribution system to your premises and billed based on the amount of natural gas consumed. This charge is on a descending scale: the more gas consumed, the lower the charges per cubic meter (m³).

- **Gas Supply**

The cost of the natural gas itself. You can choose to buy natural gas from Enbridge or a marketer (in which case the price you pay for the Gas Supply Charge depends on the contract terms with your marketer). This charge is billed based on the amount of natural gas consumed.

- **Federal Carbon Charge**

Pursuant to the Greenhouse Gas Pollution Pricing Act (GGPPA), gas distributors are required to pay to the federal government a fixed carbon charge for use and deliveries of natural gas to customers. This charge is billed based on the amount of natural gas consumed by customers other than industrial emitters who are registered under the GGPPA Output-Based Pricing System (OBPS). For any fixed carbon and OBPS charges that Enbridge must pay to the federal government for its transmission and storage facilities, these charges are included in the "Delivery to You" item on the bill.

There are other charges that may appear on your bill from time to time based on events that occur with your account. These include:

- **New Account Charge**

If you open a new account with Enbridge, the first bill will include a one-time service charge of \$25.00, to help cover the costs of setting up the account, taking a meter reading and related work.

- **Late Payment Effective Date/Late Payment Charge**

Your bill is due when you receive it which is considered to be three days after the bill date. If you do not pay your bill in full by the late payment effective date on the first page of your bill, an Ontario Energy Board-approved late charge equal to 1.5% per month or 18% per year (for an effective rate of 19.56% per year) multiplied by a total of all unpaid Enbridge charges will be added to your bill. A late payment charge, calculated and assessed in the same manner, will also be added to your bill if full payment for all other charges on your bill is not received by the late payment effective date on the first page of your bill.

Late payment charges are not applied to security deposit amounts owing to Enbridge.

- **Adjustments**

Your bill may show adjustments to charges from time to time when there is a correction made on your account.

For more information on the charges that appear on your bill, visit the "Understanding Your Bill" section on our website <https://www.enbridgegas.com/My-Account/Understand-Your-Bill>.

6.4.2 Billing from a Licensed Energy Marketer

If you buy your natural gas supply from a licensed energy broker, your gas supply charges, along with the name of your licensed energy broker will appear in the 'Charges For Natural Gas' section of your Enbridge bill.

6.4.3 Charges from Other Companies

Enbridge provides a billing service to other companies to include their charges on the Enbridge bill. If you have purchased a product or service from a participating company, the charges would appear in the section called "Charges From Other Companies" on your Enbridge bill. These companies are not owned by or affiliated with Enbridge. Enbridge does not recommend, endorse or guarantee the products or services offered by such companies. If you have a question about their products or services, you should contact them directly.

This billing service helps make paying bills more convenient for you. You receive one bill and make one monthly payment to Enbridge Gas Distribution. This service also helps to lower rates by sharing costs with the billers.

6.4.4 Billing Options

- **eBill**

Enbridge offers customers an environmentally friendly and secure bill delivery option in the form of an electronic bill. In addition, customers receiving an ebill have the option to receive payment reminders and/or notifications. New gas customers will be automatically enrolled in eBill unless they request otherwise. You can view and store up to 24 months of bills electronically through this service. You can sign up at www.enbridgegas.com/ebill

- **Budget Billing Plan**

The Enbridge Budget Billing Plan (BBP) is available to all residential gas heating customers at any time during the year and provides the convenience of paying equal amounts throughout the year and avoiding higher bills in winter months. Using your prior year's gas usage, Enbridge forecasts the amount of gas you will use and applies the current gas price to determine your monthly BBP installment.

The BBP season runs from September to July each year. In July, Budget Billing Plans are reviewed and reconciled and customers are billed or credited a BBP Final Adjustment that represents the difference between the charges for gas actually used from the time you join the plan and the monthly BBP installments billed to date. In the month of August, you are billed for the actual gas used in the month. The new plan then starts again in September.

Should a credit balance result after the annual reconciliation, the amount will be credited to your account and will appear on your July bill. If you choose to have the amount refunded, you can call the Enbridge Call Centre at 1-877-362-7434 and a refund cheque will be issued.

Should a chargeable balance result after the annual reconciliation, the amount will be charged to your account and will appear on your July bill. In the event that the BBP Final Adjustment charge is higher than expected, you may choose to call the Enbridge Call Centre at 1-877-362-7434 and one of our Customer Service Representatives will work with you to determine suitable payment arrangements.

At a minimum, one mid-season BBP review will occur usually at the beginning of the next calendar year. The mid-season review will recalculate your monthly BBP installment to ensure accuracy as weather, usage and rate changes could affect the actual charges for gas you use. After the mid-season review, the new monthly installment amount will be billed on your next bill and a bill message will explain that there was a review of your monthly BBP installment.

Customers are encouraged to monitor their BBP details (actual gas charges billed to date versus BBP installments billed to date) and may request a review at any time.

A number of factors can create a variance in the plan. Significant changes in weather, gas prices, change in gas marketers, or gas use in the home, such as installing a new natural gas appliance, can create a difference between actual gas costs and installment amounts.

First time gas customers are automatically assigned to the BBP unless they request otherwise.

6.4.5 Payment Options

- **Pre-Authorized Payment**

Enbridge also offers a Pre-Authorized Payment Plan. Signing up for the Pre-Authorized Payment Plan will allow your amount due to be automatically withdrawn from your bank account on the day before the late payment effective date.

- **Other payment options include:**

- Online or in person at a financial institution (to avoid the late payment charge, please allow 7 days for your payment to reach our office).
- Telephone Banking
- Credit Card
Subject to any convenience or other fees payable to the third party credit card service provider, you may use a valid credit card (that is accepted by the credit card service provider) to make a payment.
- Western Union
For customers with overdue amounts that are at or nearing disconnection for non-payment, you may choose to make a payment for a fee through Western Union.
- Standard Mail (Cheque or Money Order)
You can send a cheque or money order (no cash please), along with the bottom tear-off portion of your bill, to:

Enbridge
P.O. Box 644
Toronto, ON M1K 5H1

Please make your cheque or money order payable to "Enbridge Gas Inc." and write your account number on the front. To avoid the late payment charge, please allow 7 days for your payment to reach our office.

- Pay in Person (Cheque or Money Order)

You may also drop your cheque or money order payment off at one of our payment drop boxes located in the following locations 24 hours a day:
(Please note: for your security, we cannot accept cash at these offices.)

VPC Office
500 Consumers Road
North York, Ontario

Ottawa Office
400 Coventry Road
Ottawa, Ontario

Thorold Office
3401 Schmon Parkway
Thorold, Ontario

6.5. Correction of Billing Errors

When a customer has been billed incorrectly, retroactive billing is required. Retroactive billing ensures that all charges not previously included on the Enbridge bill or previously billed incorrectly on the Enbridge bill are billed correctly to the customer. Retroactive billing can be the result of either a customer error or an Enbridge error.

Where billing errors, either through Enbridge or customer error, have resulted in either under or overbilling, the customer may be charged or credited with the amount erroneously billed for a period not exceeding two years.

If you have been under-billed, Enbridge will work with you to determine a suitable payment arrangement.

6.6. Discontinuance of Gas Supply or Delivery

6.6.1 Customer Initiated Discontinuance

A customer will continue to be bound by these Conditions of Service and will be obliged to pay for all gas supplied and/or delivered to the premises along with all other charges on the Enbridge bill including late payment charges until Enbridge has terminated the supply of gas following the acceptance of a request for termination from the customer.

6.6.2 Emergency or Safety Related Discontinuance

In addition to service interruption for maintenance and force majeure events, Enbridge may discontinue gas supply and/or delivery to any customer for any of the following reasons:

- for use of gas for any purpose other than that described in the service application, gas supply contract, or rate schedule;
- if Enbridge is refused access for any lawful purposes to the premises to which gas is supplied and/or delivered;
- when Enbridge property on a customer's premises is in any manner tampered with, damaged, or destroyed;
- when Enbridge has reason to believe that an unsafe condition exists on the premises or may develop from a continuation of gas supply and/or delivery;

- when a gas installation contravenes the provisions of the *Technical Standards and Safety Act*, associated regulations, or any other applicable enactment; or
- when there is evidence of gas theft.

Discontinuance of gas supply and/or delivery for any of the reasons set out in paragraph 6.6.2 shall result in a disconnection charge payable by the Customer.

6.6.3 Discontinuance of Service for Non-payment

Enbridge charges are due when the bill is received, which is considered to be three days after the date the bill is rendered. If, for any reason, you are unable to make full payment you are encouraged to contact Enbridge to make suitable payment arrangements. Customers can call the Enbridge Call Centre at 1-877-362-7434.

If the bill is not paid in full and you have not contacted Enbridge to make payment arrangements, under the *Public Utilities Act*, Enbridge has the right to discontinue gas service. Prior to discontinuance of gas service Enbridge will provide a minimum 48 hours' notice in writing to advise when the disconnection will occur. The written notice includes the dates between which the gas service can be disconnected and payment options for avoiding disconnection. An attempt to call you to discuss your gas account will also be made at this time.

If you are seeking payment assistance through a registered charity, government agency, social service agency or a third party. Please see Section 6.11 below for information on financial support and customer service rules available for Enbridge's eligible low-income customers.

If a rented property will have the service discontinued for any reason, notice of a pending disconnection may be provided by Enbridge to the Landlord (as defined in Section 6.9 below) of the premises.

If your meter has been turned off for non-payment, when payment in full is received by Enbridge (including any disconnection charges, security deposit or any other charges), Enbridge will reconnect your gas meter within 48 hours.

6.7. Arrears Management Programs

Enbridge has different arrears management programs available to customers who are unable to pay their entire bill. Enbridge works with customers depending on their individual circumstances to come up with a mutually agreeable payment arrangement. Customers requiring assistance are encouraged to call the Enbridge Call Centre at 1-877-362-7434 to discuss options.

Customers who miss making a payment as part of their payment arrangement will be contacted by the use of electronic mail ("email"), a text message, a phone call, or sent a letter giving notice of the missed payment and the date on which their current arrangement will be cancelled.

In the event that you are an eligible low-income customer having difficulty paying your bill, emergency financial assistance is also available. Please see Section 6.11 below for information on financial support available for Enbridge's eligible low-income customers.

6.8. Allocation of Payments between Gas and Non-Gas Charges

Payments are applied to your Enbridge bill charges based upon the oldest billed amounts being paid first. In the event that payment is insufficient to cover all charges invoiced in a month, payments will be

allocated to gas charges first. Any charges that remain outstanding past the late payment effective date will incur a late payment charge as mentioned in the “Bill Issuance and Payment” section.

6.9. Management of Landlord/Tenant Accounts

References to “Landlord(s)” in this document includes the owner, landlord or property management company of a rented property.

Enbridge has processes for recording directions received from Landlords on how to manage accounts at rented properties in between tenants. If you are a Landlord, please review the full details of your options and complete the Landlord Agreement located at <https://www.enbridgegas.com/homes/start-stop-move/landlord-tenant.aspx> to provide Enbridge with your directions.

If ownership of the premises changes, the incoming Landlord is responsible for notifying Enbridge and electing their own preferred option. If the incoming Landlord does not make an election by completing and returning the Landlord Agreement to Enbridge, they will be deemed to have elected the previous Landlord’s election.

6.10. Management of Customer Accounts

Enbridge is committed to providing excellent service and to ensuring that relationships with customers are conducted with integrity and in a responsible, fair, honest and ethical manner. Consistent with these objectives Enbridge maintains high standards of confidentiality with respect to the personal information in its possession. We collect information (including personal information) about our customers from our customers directly and from other sources (for example, credit bureaus as further discussed in Section 6.3), for the purposes identified in our privacy policy (available at <https://www.enbridgegas.com/privacy>) including to:

- establish and confirm identity (for example, name, address, phone number, date of birth, Driver’s License, etc.);
- set up an account for gas purchase and delivery; and
- confirm credit history.

Any personal information related to a customer’s account will only be shared with the party named on the account or any third party designated by the customer or as otherwise set out in our privacy policy. To provide consent for another person or a third party to discuss your account details with Enbridge, you must contact our Enbridge Call Centre at 1-877-362-7434 to advise us of your permission to discuss your account with these parties.

In addition, if a rented property will have the service discontinued for any reason, notice of a pending disconnection may be provided by Enbridge to the Landlord (as defined in Section 6.9 above) of the premises.

To ensure that Enbridge can identify its customers and ensure that it is dealing with the correct person when a customer contacts Enbridge, Enbridge has a “know your customer” process to collect and update customer information. When you contact Enbridge, you will be required to correctly answer confirmatory questions and, where necessary, update the information associated with your Enbridge account.

6.11. Customer Services for Eligible Low-Income Customers

The Low-Income Energy Assistance Program (LEAP) developed by the Ontario Energy Board is a year- round program to assist eligible low-income customers with their bill payments and natural gas costs. It consists of three elements: (i) emergency financial assistance, (ii) customer service rules, and (iii) targeted conservation and demand management programs. The LEAP Emergency Financial Assistance program and the customer service rules are described below. For more information on the LEAP Emergency Financial Assistance program please visit www.enbridgegas.com/leap. For more information on the LEAP targeted conservation and demand management programs please visit www.Enbridgegas.com/winterproofing.

The following definitions are relevant to the LEAP:

- An “eligible low-income customer” means a residential customer who has a pre-tax household income at or below the most recent pre-tax Low Income Cut-Off, according to Statistics Canada, plus 15%, taking into account family size and community size, as qualified by a Social Service Agency or Government Agency; or has been qualified for Emergency Financial Assistance.
- “Emergency Financial Assistance” means any Board-approved emergency financial assistance, or other financial assistance made available by a distributor, to eligible low- income customers.
- A “Social Service Agency or Government Agency” means a social service agency or government agency that has partnered with Enbridge to assess eligibility for Emergency Financial Assistance, the customer service rules or the targeted conservation and demand management programs.

For the purposes of the low-income customer service policies, if a customer is qualified as an eligible low-income customer, the customer’s Enbridge gas account will reflect their low-income status for two years from the date Enbridge was notified the customer was qualified.

If you are an eligible low-income customer, there are service-related standards and practices that are available to you pertaining to security deposits and arrears management:

- Enbridge will waive your security deposit requirement if you are an eligible low-income customer (see definition above) and are moving residences, providing the following conditions are met:
 - you are enrolled in the budget billing plan
 - you do not have an account with a financial institution and
 - your gas service has not been disconnected due to non-payment in the past two years.
- LEAP Emergency Financial Assistance (defined above) provides financial assistance to families in need. Customers who are working with a Social Service Agency or Government Agency will be given 21 days to secure Emergency Financial Assistance before additional collection action will be taken for non-payment.
- Eligible low-income customers that enter into a payment agreement will have the late payment charges waived on the payment arrangement balance. In the event that an eligible low-income customer defaults on an arrears payment agreement, then the option to have late payment charges waived with any future arrears payment agreement will no longer be automatically available. Disconnection of gas service is always a last resort.

To determine if you qualify for LEAP, please contact:

United Way Greater Simcoe County (UWGSC)

1-855-487-LEAP (5327)

If you qualify, UWGSC will refer to you a local Social Service Agency or Government Agency who will book an appointment with you to complete the required application and provide your supporting documentation.

6.12. Our Customer Service Process

Step 1: Call the Enbridge Call Centre at 1-877-362-7434

Enbridge Customer Service Representatives (CSRs) are trained to help answer your questions.

Step 2: Ask to Speak to a Supervisor

If you feel that your questions are not being fully addressed by the CSR, please ask to speak to a supervisor. They'll try to work with you to resolve your issue.

Step 3: Contact the Enbridge Customer Ombudsman

If you've spoken to a CSR and a supervisor and are not completely satisfied with the solution provided, the supervisor will offer to elevate your concern to the Enbridge Customer Ombudsman's office.

For complete information regarding our customer service process, please visit the Enbridge website: <https://www.enbridgegas.com/contact-us/>.

APPENDIX A

DEFINITION OF TERMS

Cubic Metre ("m³") - That volume of gas which at a temperature of 15 degrees Celsius and at an absolute pressure of 101.325 kilopascals ("kPa") occupies one cubic metre. 10³m³ equals 1,000 cubic metres.

Curtailement - An interruption in a customer's gas supply at a Terminal Location resulting from compliance with a request or an order by Enbridge to discontinue or curtail the use of gas.

Customer – means any person, persons, company or corporation receiving gas through an Enbridge meter.

Enbridge – means Enbridge Gas Inc. operating as Enbridge Gas Distribution in its EGD Rate Zone, as that term is defined in Enbridge's Rate Handbook and generally described in Section 1 of these Conditions of Service.

Gas – natural gas.

Gas appliance – means any device approved by the appropriate governmental authority which uses gas as a fuel or as a raw material.

Meter – means a device owned by Enbridge and approved by the appropriate governmental authority and installed to measure the volume of gas delivered to the customer.

Month or monthly – means, for the purposes of calculating customers' accounts, a period of approximately 30 days.

Point of delivery – means that point at which gas leaves Enbridge's metering and regulating facilities and is delivered to you or, if there are no such facilities, Enbridge's shut-off valve.

Rate schedule – a numbered rate of Enbridge as fixed or approved by the Ontario Energy Board ("OEB") that specifies rates, applicability, character of service, terms and conditions of service and the effective date.

Service – means the pipe or tubing and associated fittings which transmits gas from the pipeline to the meter inlet connection. Where unmetered gas is provided, the service shall be deemed to terminate at the shut-off valve located closest to the building entry, immediately inside the building wall. Where gas pressure regulation is necessary, the service regulator shall form part of the service.

Terminal Location – is the building or other facility of the customer at or in which natural gas will be used by the customer.

Enbridge Gas Inc.
CONDITIONS OF SERVICE for Union Rate Zones

April 1, 2019 ~~January 1, 2019~~

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Foreword

Enbridge Gas Inc. was formed by the amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited on January 1, 2019. Enbridge Gas Inc. continues to operate parts of its business as Union Gas in its Union Rate Zones. Union Gas is a distributor of natural gas in the province of Ontario. We are committed to serving our customers in a safe, reliable and efficient manner. This document has been prepared to explain, in a summary form, the conditions which govern our operations. It is intended that this communication will help us to better serve our customers.

Except as otherwise noted, the following conditions apply to all gas rates and gas service, by or with Union Gas (referred to as “us” or “we” throughout this document).

We reserve the right to modify, alter or amend these conditions and to make further and other conditions as experience may suggest and as we may deem necessary or convenient in the conduct of our business. These conditions do not supersede any terms and conditions agreed to in our contracts for gas supply with you.

Basic Terminology

British Thermal Unit (BTU)	The amount of heat required to raise the temperature of one pound of water 1 degree Fahrenheit at 60 degrees Fahrenheit.
Company	Enbridge Gas Inc. operating as Union Gas – also referred to as “We” and “Us” throughout this document. Refers to Union Gas, and where appropriate, any member that provides you with Union Gas services or products.
Cubic Metre	One standard cubic metre of gas is the volume of the gas that occupies one cubic metre at a temperature of 15 degrees Celsius and an absolute pressure of 101.325 kPa. (One standard cubic metre equals 35.494 standard cubic feet).
Curtailement	An unplanned suspension of gas delivery caused by a physical failure or a high risk failure on our pipeline system, or non-delivery of gas into our pipeline system.
Customer	An individual, group of individuals, company or corporation responsible for the receipt and payment of goods and/or services provided by the Company. Referred to as “you” and “your” throughout this document.
Customer Service	Work done for you by our service personnel or authorized agents on behalf of us, including the installation and adjustment to meters and regulators and the associated appliance inspections.
Degree Days	<p>A measure of the coldness of the weather experienced, based on the extent to which the daily mean temperature falls below the reference temperature of 18 degrees Celsius.</p> <p>A heating degree day is the difference between 18 degrees Celsius and the average temperature of the day. For example if the average given temperature on any given day is 10 degrees Celsius, then the number of degree days would be 8 (18-10). If the average temperature for the day is 18 degrees Celsius or higher, then the number of degree days for that day would be zero. As the weather gets colder the number of degree days increases.</p> <p>Union Gas uses degree days as a measure of coldness for comparative purposes. Generally the higher the degree days recorded, the higher the gas used on an account.</p>
Gas	Natural gas or manufactured gas or liquefied petroleum gas or any mixture of these containing not less than 36 megajoules per cubic metre.
Gas Appliance	A device that consumes or is intended to consume a gas

and is certified or field approved as acceptable to the provincial authority having jurisdiction.

Gas Sales Contract	A contract between the Company and a customer prescribing rates and conditions for the supply of gas, transportation and storage services to the customer.
Main	The pipe that is used to carry natural gas to a service.
Main Extension	The addition of pipe to an existing main to serve new customers.
Point of Delivery	The point(s) or points at the outlet side of our meter(s) at the location(s) where the gas is delivered to you.
Property Line	The Line that separates the boundary between one property and the next immediately adjacent property whether it is public or private.
Rate Schedule	<p>One of a set of schedules filed with and approved by the Ontario Energy Board describing a category of customer, the rates charged for gas supplied to customers in the category and the particular terms under which gas is supplied to such customers.</p> <p>The rates determined by Union Gas and approved by the Ontario Energy Board that outlines the type of customer and the payment schedules for each of these customer types.</p>
Service Lateral	Piping that conveys gas from a main to your meter.
Service	<p><i>Residential:</i> Customers supplied for residential purposes in a single family dwelling or building, or in an individual flat or apartment within a multiple family dwelling or building or a portion of a building occupied as the home, residence, or sleeping place of one or more persons.</p> <ul style="list-style-type: none">▪ When service for residential purposes is supplied to two or more families served as a single customer under one rate classification contract that service is considered as commercial but is counted as only one customer.▪ Residential premises also used regularly for professional or business purposes (such as doctor's office in a home or where a small store is integral with the living space), are considered as residential where the residential use of gas is half or more than half of the total service. <p><i>Commercial:</i> Applies to customers engaged in selling, warehousing or distributing a commodity, in some business activity or in some other form of economic or social activity (also includes professions).</p> <ul style="list-style-type: none">▪ The size of the customer's operation or volume of use is not a criterion for determining Commercial service. <p><i>Industrial:</i> Customers engaged in a process which creates or changes raw or unfinished materials into another form or product, or who change or complete a semi-finished</p>

material into a finished form.

- All gas used on premises which qualify under the industrial classification is to be classified as industrial service.
- The size of the customer's operation or volume of use is not a criterion for determining Industrial Service.

Union Rate Zones

The geographic areas within which the Company provides Services as set out in section 1.1 of these Conditions of Service, as amended from time to time.

1. About our Area and Gas Services

1.1 Area Served by Union Gas

As outlined in these conditions of service, Union Gas has an adequate supply of gas to serve its customers, and has properly installed pipe and piping according to the appropriate legislative requirements. Union Gas supplies gas to over 400 communities within the 230 municipalities where Union Gas holds a franchise agreement. These are considered traditional place names and may not in all cases reflect the current names of these communities.

Communities

Aberfoyle	Bayham Twp	Burford Twp
Acton	Beachville	Burgessville
Adelaide Twp	Beardmore	Burks Falls
Ailsa Craig	Belleville	Burlington
Alberton	Bentinck Twp	Cache Bay
Aldborough Twp	Berwick	Caledonia
Alma	Bewdley	Callander
Alvinston	Blandford-Blen Twp	Calstock
Amabel Twp	Banshard Twp	Cambridge
Amherstburg	Blenheim	Camden Twp
Amherstview	Bleazard Valley	Camlachie
Ancaster	Blind River	Campbellville
Appin	Bloomfield	Canboro
Arkona	Bloomingtondale	Canborough Twp
Arran Twp	Blue Mountains	Canfield
Artemesia Twp	Blyth	Cannifton
Arthur	Bosanquet Twp	Capreol
Arthur Twp	Bothwell	Caradoc Twp
Astra	Bracebridge	Cardinal
Atherley	Branchton	Carlisle
Atikokan	Brant Twp	Carrick Twp
Atwood	Brantford	Castleton
Awrey Twp	Brantford Twp	Cathcart
Ayr	Breslau	Cayuga
Azilda	Brigden	Cayuga N Twp
Baden	Brighton	Cayuga S Twp
Balmertown	Brights Grove	Cedar Springs
Baltimore	Brooke Twp	Centralia
Barwick	Brookville	Centreton
Batawa	Bruce Mines	Chaput Hughes
Bath	Brussels	Charing Cross
Bayfield	Burford	Charlotteville Twp

Chatham	Dryden	Forest
Chatham Twp	Duart	Fort Frances
Chatsworth	Dumfries N Twp	Foxboro
Chelmsford	Dumfries S Twp	Frankford
Chesterville	Dundas	Freelton
Clifford	DunnTwp	Fullarton Twp
Clinton	Dunnville	Gananoque
Cobalt	Dunwich Twp	Garafraxa W Twp
Cobourg	Durham	Garden River
Cochenour	Dutton	Garson
Cochrane	Ear Falls	Georgetown
Colborne	Earlton	Geraldton
Colborne Twp	East Wawanosh Twp	Glanbrook Twp
Colchester N Twp	Easthope N Twp	Glen Williams
Colchester S Twp	Easthope S Twp	Glencoe
Collingwood Twp	Echo Bay	Glenelg Twp
Conestogo	Eden	Goderich
Coniston	Egmondville	Goderich Twp
Copetown	Egremont Twp	Gosfield S Twp
Copper Cliff	Ekfrid Twp	Gowanstown
Corbyville	Elginburg	Grafton
Cornwall	Ellice Twp	Grand Bend
Corunna	Elliot Lake	Gravenhurst
Courtland	Elma Twp	Greensville
Courtright	Elmira	Grey Twp
Crediton	Elora	Guelph
Crysler	Emo	Guelph Twp
Culross Twp	Englehart	Hagersville
Cumberland Beach	Enniskillen Twp	Haileybury
Dashwood	Eramosa Twp	Hallebourg
Dawn Twp	Erie Beach	Halton Hills
Delaware Twp	Erieau	Hamilton
Delhi	Espanola	Hanmer
Derby Twp	Essex	Hanover
Dereham Twp	Euphemia Twp	Harrisburg
Desbarats	Exeter	Harriston
Deseronto	Falconbridge	Harrow
Devlin	Fauquier	Harty
Dorchester	Fergus	Harwich Twp
Dorchster N Twp	Finch	Hawkesville
Dover Centre	Fisherville	Hay Twp
Dover Twp	Flamborough	Hearst
Dowling	Flamborough W Twp	Heidelberg
Downie Twp	Flesherton	Hensall
Drayton	Floradale	Hepworth
Dresden	Florence	Hibbert Twp

Highgate	Levack	Moore Twp
Hillier	Linwood	Mooretown
Holland Twp	Listowel	Moraviantown
Holtyre	Lively	Morewood
Hornell Heights	Lobo Twp	Morpeth
Howard Twp	Logan Twp	Morris Twp
Howick Twp	Londesborough	Morrisburg
Hullett Twp	London	Morrison
Huntsville	London Twp	Mosa Twp
Hurkett	Long Sault	Moulton Twp
Huron Park	Longford Mills	Mount Brydges
Ignace	Longlac	Mount Elgin
Ingersoll	Lowbanks	Mount Forest
Ingleside	Lowville	Mount Hope
Inkerman	Lucan	Mount Pleasant
Innerkip	Lynden	Murillo
Inwood	Lynedoch	Nairn Centre
Iron Bridge	Madoc	Nanticoke
Iroquois	Maitland	Napanee
Iroquois Falls	Mannheim	Naughton
Jarvis	Markdale	Neebing
Jerseyville	Markstay	New Dundee
Joyceville	Marmora	New Hamburg
Kakabeka Falls	Maryborough Twp	New Liskeard
Kapusking	Maryhill	Newburgh
Keewatin	Matheson	Newbury
Kenora	Mattawa	Nichol Twp
Kent Bridge	Mattice	Nipigon
Keppel Twp	Maynard	Nissouri W Twp
Kettle and Stony Point	McGillivray Twp	Norfolk Twp
Kilbride	McKillop Twp	Normanby Twp
Kilsyth	Meaford	North Bay
Kilworth	Merlin	North Buxton
Kilworth Heights	Metcalfe Twp	North Cobalt
Kingston	Middleport	Norval
Kingsville	Middleton Twp	Norwich
Kirkland Lake	Mildmay	Norwich N Twp
Kitchener	Millgrove	Norwich S Twp
Komoka	Milton	Norwich Twp
La Salette	Milverton	Novar
Lakeport	Minto Twp	Oakland
Lakeshore	Mississauga	Oakland Twp
Lambton Shores	Mitchell	Oakville
Langton	Mitchell's Bay	Odessa
Lasalle	Monteith	Oil City
Leamington	Moonbeam	Oil Springs

Oliver Paipoonge	Rainy River	St Vincent Twp
Onaping	Raleigh Twp	St Williams
Oneida Twp	Rama	Stanley Twp
Onondaga Twp	Ramore	Stephen Twp
Opasatika	Red Rock	Stirling
Orford Twp	Red Lake	Stockdale
Orillia	Ridgetown	Stoney Creek
Orkney	Rockwood	Stratford
Orland	Rodney	Strathroy
Orrville	Romney Twp	Stratton
Otterville	Rondeau Park	Sturgeon Falls
Owen Sound	Roseville	Sudbury
Oxford Southwest Twp	Rostock	Sullivan Twp
Paincourt	Rothsay	Sundridge
Palmerston	Rutherglen	Swastika
Paris	Salem	Sydenham Twp
Parkhill	Sarawak Twp	Tara
Parry Sound	Sarnia	Tavistock
Peacock Point	Sauble Beach	Tecumseh
Peel Twp	Saugeen Twp	Teeswater
Petersburg	Sault Ste. Marie	Teeterville
Petrolia	Schumacher	Temagami
Picton	Scotland	Thamesford
Pilkington Twp	Seaforth	Thamesville
Pinewood	Sebringville	Theford
Plainfield	Selby	Thessalon
Plattsville	Selkirk	Thornbury
Plympton Twp	Seneca Twp	Thorne
Point Edward	Shallow Lake	Thunder Bay
Porcupine	Shanty Bay	Tilbury
Porquis Junction	Sherbrooke Twp	Tilbury E Twp
Port Dover	Shrewsbury	Tillsonburg
Port Elgin	Shuniah Twp	Timmins
Port Hope	South Mountain	Townsend
Port Lambton	South Porcupine	Townsend Twp
Port Rowan	South River	Trenton
Port Ryerse	Southampton	Trout Creek
Port Stanley	Southwold Twp	Tuckersmith Twp
Port Sydney	Springford	Tupperville
Powassan	St Agatha	Turnberry Twp
Prescott	St Andrews West	Tweed
Prince Twp	St Clements	Usborne Twp
Princeton	St George	Val Caron
Puslinch Twp	St Jacobs	Val Gagne
Quinte West	St Marys	Val Rita
Rainham Twp	St Thomas	Val Therese

Vanastra
 Vermilion Bay
 Verner
 Vickers Heights
 Village of York
 Vittoria
 Wahnapiatae
 Walkerton
 Wallace Twp
 Wallaceburg
 Wallenstein
 Walpole Island
 Walpole Twp
 Walsingham
 Walsingham N Twp
 Walsingham S Twp
 Wardsville
 Warren
 Warwick Twp
 Wartburg

Waterdown
 Waterford
 Waterloo
 Watford
 Wellesley
 Wellesley Twp
 Wellington
 West Lorne
 West Montrose
 Westbrook
 Westlake
 Westminster Town
 Wheatley
 Whitefish
 Wiarton
 Wilkesport
 Williams E Twp
 Williams W Twp
 Williamsburg
 Wilmot Twp

Winchester
 Windham Twp
 Windsor
 Wingham
 Winterborne
 Woodhouse Twp
 Woodlawn
 Woodslee
 Woodstock
 Wooler
 Woolwich Twp
 Wyoming
 Yarmouth Twp
 Zone Twp
 Zorra Twp
 Zorra-Tavistock East
 Zurich

1.2 Quality of Gas

The gas to be delivered shall be natural gas or its equivalent from our present or future sources of supply, and shall:

- Have a heating value of a minimum 36 megajoules per cubic metre
- Be commercially free from objectionable matter

NOTE: *The gas delivered to customers attached to field gathering lines may vary from pipeline quality gas due to local well conditions.*

1.3 Gas Distribution Services

Gas distribution services will be made available to all residential, commercial and industrial customers in all communities served by us:

- When we have determined transportation, distribution and/or storage capacity is available, and
- When we determine that the installation of gas piping (and related gas equipment) to serve you is economically feasible

Applying for more than one type of rate schedule

Customers may have gas distribution services under more than one rate schedule, as follows:

- Provided the customer meets all of the requirements for applicability, which are found in each rate schedule.
- This service may be taken through one meter, provided:
 - there is agreement upon a definite volume of gas that you will purchase under each rate
 - the volume of gas that falls under distribution charges, and
 - the delivery sequence

Gas Distribution Interruptions

Curtailment, or requests to stop gas use, may be required if the supply of gas is jeopardized, in the following situations:

- If there is an actual or threatened shortage of natural gas beyond our control
- When required because of curtailment or restrictions ordered by an authorized government authority

We assume no liability for any loss of production or for any damage whatsoever due to curtailment or discontinuance or because of the length of advance notice given that directs that curtailment or discontinuance.

1.4 Limitations of Liability

We shall use care and diligence to furnish sufficient gas distribution capacity but we assume no liability for damages or loss resulting from any failure of supply.

It is the customer's responsibility to provide and maintain:

- All pipes and valves to take the gas from the meter
- All equipment used in the burning of gas
- All vents necessary to efficiently take all products of combustion (including unburned gas if any) to the outside air

2. Initiation of Service

2.1 Main Extensions

We will extend our gas main within our franchise area to serve new customers (or potential customers) when:

- Those requirements will not disturb or impair the service to prior users
- We determine the extension of the gas main is economically feasible

When we determine the extension of our facilities is not economically feasible, the applicant will be required to pay a contribution in aid of construction. We will determine the contribution amount before the extension of such facilities.

2.2 Service Lateral Installations

Service laterals will be installed provided that:

- There is an application for gas.
- The site of the service lateral installation is within our franchise area.
- Adequate distribution facilities are available.
- Any necessary main extension can be justified in accordance with our line extension practice.
- The requested hourly volume is available in accordance with the required supply pressure.
- In our sole discretion, we have an adequate gas supply to provide gas service.

We will designate the location of the service lines, meters and regulators, and will determine the amount of space that must be left unobstructed for the installation.

We do not assume ownership, responsibility or maintenance of piping beyond the outlet side of the meter or regulator set up.

If a customer wants us to install main on property that is not owned by the customer, such as road allowance, municipal or neighbouring property, land rights (in the form of easement) will be required for the installation / maintenance of gas lines (and equipment) from that property owner.

We shall try to restore property to the approximate condition in which it was found before starting our operations. This includes property that is excavated or may be disrupted during laying, constructing, repairing or removing our facilities.

2.3 Customer Costs

Gas service laterals extending from the property line to the meter location will be installed according to our policies and procedures. Customers are charged for these services as follows:

Residential Customers

- Billed for any excess charges beyond 30 metres
- Billed for aid as calculated using Union Gas' test of economic feasibility for service

lateral extensions

- Billed for charges related to the installation of the meter set beyond our approved location.

Commercial and Industrial Customers

- Union Gas uses a Distribution Related Economic Analysis Model to cost Commercial and Industrial services. If the service does not meet an economic feasibility benchmark, a customer will be expected to pay aid to construction costs in order to meet our internal economic feasibility benchmark.
- If aid to construction is required, Union Gas will provide the costs to the customer, for approval prior to initiating the installation of the service

When the installation is effected by us, our cost is:

- Material used at inventory value (including appropriate stores expense).
- Cost of direct labour on installation (including appropriate payroll burden).
- Cost of transportation and mobile work equipment.
- Cost of contract work.

2.4 Relocation of Service Laterals

For service lateral relocations requests, the cost will be based on size and nature of any added gas that is required. Requested relocations for convenience or aesthetics will normally be on a charge basis.

We reserve the right to make changes, extensions, or replacements of service lines.

2.5 Customer Piping

As an applicant for service, a customer shall at their expense, equip premises with all piping and attachments from the meter to the appliances or equipment served. It is the customer's responsibility to maintain the piping and equipment beyond the outlet side of the meter. Such piping and attachments shall be installed and maintained in accordance with the Ontario Regulation 212/01 – Gaseous Fuels, as amended.

If we know that the piping and/or appliances or heating equipment are defective, or not in accordance with applicable rules and regulations, ordinances or codes, we will not connect a meter.

We may discontinue gas service at any time that we find defective or unsafe conditions on:

- The piping
- The venting
- The appliances or other gas-fired equipment

Notification and Maintenance

If there is leakage or escape of gas on a customer's premises, the customer is required to immediately notify Union Gas. The emergency number for Union Gas is 1-877-969-0999.

Customers should ensure that their chimney or gas equipment venting system is clean and clear of obstructions.

If injury or damage occurs because of the escape of gas or products of combustion of gas from building piping, venting systems, or appliances on the customer's side of the Point of Delivery, we are not liable, unless the injury or damage can be traced to our negligence.

2.6 Meters and Meter Location

A meter or meters of standard manufacture, that we install (unless otherwise specified) shall measure the gas supplied. We will furnish each customer with a meter of a size and type that will adequately serve the customer's requirements. These meters are our property. We can inspect, remove or replace these as we deem necessary or in accordance with applicable rules, regulations, ordinances or codes.

Non-contiguous customer premises shall be metered and billed separately. Premises are considered non-contiguous when they:

- Are not on the same tract of land
- Are complete and not integrated with or part of other premises
- Are integrated with or part of other premises

Tracts of land separated by public streets, roads, lanes or alleys shall be considered non-contiguous lands.

Residential, Commercial, Industrial meters will be located near a building, taking into consideration the following:

- Safety
- Distribution facilities
- Customer equipment
- Noise
- Structural design
- Landscaping
- Accessibility for meter reading and servicing

Inside locations require the approval of the District Manager or designate.

Anyone who is not an authorized agent of the Company shall not be permitted to connect or disconnect our meters, regulators or gauges, or in any way alter or interfere with our meters, regulators or gauges.

Customers are responsible for protecting all metering and regulating equipment necessary for the supply of gas and for keeping it accessible at all times. Customers will be held liable for any such loss or damage beyond ordinary wear and tear, and if required, shall pay us the cost of necessary repairs or replacements.

We are not responsible for damages caused by the freezing of water pipes, water heaters and hot water systems in your premises unless the damage can be traced to our negligence.

2.7 Delivery and Use of Gas

Our gas delivery and the customer's use of gas constitute a contract subject to these provisions, even if a contract has not been signed.

The place of delivery of all gas purchased under sales service, or redelivery in the case of direct purchase, shall be at the outlet of our meter located at or near the point or points of connection with the customer's facilities. At that point all gas delivered shall become the customer's property.

All gas passing through the meter, whether it is used or lost through leaks in pipes, apparatus, or otherwise is the customer's responsibility and the customer shall pay for that gas.

Gas sold to non-contract customers at excess pressure shall be sold by the cubic metre corrected to a base temperature and pressure.

2.8 Inspection of New Installations

All inspections shall conform to the Technical Standards and Safety Act and regulations made under the Act.

An inspection will be made of new installations of supply piping and gas appliances and installations in accordance with Company practice as follows:

- Where premises are connected to a supply of gas for the first time.
- In accordance with the requirements of the Technical Standards and Safety Act and the regulations made under the Act.

If the inspection reveals that repairs or major adjustments are required, the customer will be advised.

3. Maintenance of Service

3.1 Customer Service Policy Statement

Union Gas provides customers with specific and specialized service. The following services are provided free of charge:

- Emergency response
- Inspections mandated by applicable legislation
- Minor adjustment service to natural gas equipment (i.e. work that can be completed within 30 minutes and does not require any appliance parts, special tools or special equipment). Customers requiring additional appliance service will be advised to contact a third party service provider.

3.2 Access to Premises

Our authorized representatives shall have access to a customer's premises at all reasonable times and upon reasonable notice to inspect, read, test, repair, or replace the meter or meters, appliances and equipment used in connection with gas service.

3.3 Testing Meters

We will remove and test meters when necessary, or:

- Upon a customer's request
- When required to ensure accordance with legislative requirements.

If there is an unresolved dispute between two parties over meter accuracy, the test process must be initiated through Measurement Canada. This maintains the independence of the dispute process and requires the disputing party, normally the customer, to contact Measurement Canada directly.

Measurement Canada sets out Federal Regulations Union Gas must follow with regard to Gas Measurement. Union Gas is a fully accredited Gas Utility with authorization from the Federal Government to test and seal meters.

If a customer requests a meter accuracy check, and it meets the regulated accuracy requirements during the inspection, we may charge any additional cost for the meter removal and test. This is in addition to the Government inspection fee.

3.4 Resale Prohibited

Gas shall not be resold or redistributed (pursuant to the definitions of those terms in the OEB Act) directly or indirectly by the customer, except:

- Gas purchased under the Company's Rate Schedule M1, M2, Rate 01 and Rate 10 for resale as motor vehicle fuel gas (as that term is defined in Ontario Regulation 805/82), or
- Gas purchased under the Company's Rate Schedules M9 and M10 and Rate 77 by a customer that is itself a distributor of natural gas.

4. Customer Care

Section 4 applies to any customer that has not entered into a Gas Sales Contract with Union Gas. For customers that have entered into a Gas Sales Contract with Union Gas, the terms and conditions set out in that contract will supersede the information contained within this section.

4.1 Establishing an Account

Whether a new customer or moving from an existing Union Gas account, customers should notify Union Gas before taking possession of a new home or business. Account requests can be submitted [online](#) or by phone at 1-888-774-3111. Accounts are subject to an account opening charge. Customers with Union Gas may be required to provide a security deposit. See section 4.11 for details.

Once an account has been established, a contract between the customer and Union Gas is in effect until delivery of gas is discontinued. The customer agrees to pay for services provided, and is liable for all gas supplied to the premises and for the safe custody of Union Gas property.

Customers who have unpaid balances owing on previous Union Gas accounts of any age may be required to pay the outstanding balance before Union Gas will approve an application for gas service at another address. Unpaid balances on previous gas accounts may be listed with a collection agency after a period of approximately 60 days and/or transferred to a current gas account.

4.2 Meter Reading

Union Gas makes every effort to read all meters on a monthly schedule. Sometimes we estimate bills if inaccessibility, weather or unsafe conditions prevent us from reading the meter within a few days of the normal date.

Customers may elect to supply their own meter reading either [online](#) or by telephone at 1-888-774-3111. When submitted on a timely basis, these readings will be used in the monthly bill calculation.

If usage is estimated, any necessary adjustments will be included in the next actual meter reading.

On rare occasions, we may have to estimate a bill if the metering equipment malfunctions or has been damaged.

Commercial / industrial non-contract excess pressure customers' meters may be read daily or weekly.

4.3 Billings for Accounts

Consolidated Billing

Depending on rate zone customers may combine several meters on to one gas bill if the meters are located on contiguous tracts of land not divided by a public right-of-way.

Master Summary Billing

Master Summary Billing summarizes the invoices associated with multiple accounts on one Master Account. Customers choosing this option receive no more than four Master bills per month, depending on the number and location of meters included in their various individual accounts.

Billing History

Through the online account management system, MyAccount, customers can view and download up to 24 months of billing and payment history. Please note that Union Gas does not retain copies of bills beyond 24 months. Customers may also request a printed copy of this billing history or duplicate bills for a fee of \$15.

4.4 Bill Issuance and Payment

Bills are issued on a monthly basis. Invoices are due when rendered and customers are provided a period of 20 days for payment before a Late Payment Charge is applied to their account. Both the invoice issue date and the Late Payment applicable date are printed on all invoices. Whether the customer is issued a paper or electronic invoice, the dates and timelines are the same.

Gas Charges are calculated using rates approved by the Ontario Energy Board.

Each monthly gas invoice will include a set 'monthly charge' that is a set amount charged to every customer regardless of the amount of gas used. It partially covers the cost of maintaining a safe gas distribution system 24 hours a day, every day. The monthly charge will be prorated on initial, final and seasonal invoices when the period covered by the bill is less than 25 days. The amount of the monthly charge is part of the approved Ontario Energy Board rate structure.

Invoices are due when rendered. Union Gas' billing and payment options include:

- **Automatic payment plan:**
Automatically withdraw payment from your bank account.
- **Paperless billing:**
Use Union Gas' free paperless billing option to receive your bill online.
- **Equal Billing Plan:**
Enjoy the benefits of predictable monthly billings all year.
- **Combine Billing and Payment Options:**
Bundle Paperless Billing, Equal Billing Plan and the Automatic Payment Plan to make monthly payments even more convenient.

Join our billing and payment options [online](#) or by telephoning 1-888-774-3111.

More payment options:

- Online banking through your financial institution
- Telephone banking
- Automatic Teller machine
- In person at most banks and financial institutions
- Pay your bill using your credit card [online](#) or through our automated telephone service at 1-888-774-3111. Please note that this credit card service is powered by Paymentus Corporation and is subject to a service fee equal to 1.75% of the payment amount which will be charged by Paymentus Corporation to the customer for each payment.
- Mail your payment directly to Union Gas.

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.

The Late Payment fee is not applied to unpaid security deposit amounts.

Payments are posted to customer accounts based on the day the payment is received.

4.5 Charges from Other Companies

Union Gas provides a billing service to other companies to include their charges on the Union Gas bill. The charges displayed in this "Charges from Other Companies" section of your bill are for services that you initiated with other companies that have contracted Union Gas to bill on their behalf. Union Gas does not recommend, endorse or guarantee the products or services offered by such companies.

For billing inquiries related to these or any charges on your bill, please contact us at 1-888-774-3111 or online at myaccount.uniongas.com. For questions related to the product or service provided including maintenance and repair, please contact the other company directly at the contact information noted on your bill.

4.6 Federal Carbon Charge

Pursuant to the Greenhouse Gas Pollution Pricing Act (GGPPA), gas distributors are required to pay the federal government a fixed carbon charge for use and deliveries of natural gas to customers. This charge is billed based on the amount of natural gas consumed by customers other than industrial emitters who are registered under the GGPPA Output-Based Pricing System (OBPS). For any fixed carbon and OBPS charges that Union Gas must pay to the federal government for its transmission and storage facilities, these charges are included in the Delivery line of the bill.

4.7 Allocation of Payments between Gas and Non-gas Charges

Payments are applied to charges based on date (oldest paid first), then based on the priority for additional charges incurred at the same time.

For any charges in arrears, payment will be applied to the oldest charge first and Late Payment fees will be applied to the outstanding balance.

4.8 Correction of Billing Errors

If a billing error occurs, customers should contact our Customer Contact Centre at 1-888-774-3111 to request a billing investigation.

With the exception of tampering or theft of gas:

- If the error resulted in over-billing, it will be corrected for a period of up to two years. The customer may request a refund or opt to leave the credit amount on their account to cover future bills.
- If the error resulted in under-billing, it will be corrected for a period of up to one year. If

required, Union Gas will work with the customer to determine a mutually agreeable repayment schedule.

- If the time period cannot be reasonably determined, the error will be corrected for a period of up to three months.

4.9 Equal Billing Plan

The Equal Billing Plan offers residential customers the convenience of equal payments throughout the year. Using your total natural gas usage for the previous year and current gas rates, we calculate your total expected gas bills and divide it into equal monthly instalments. In August of each year your EBP is “trued up” and your account is credited or billed for any difference between the EBP instalments that you have paid and the gas you’ve used.

Your account is reviewed periodically and your monthly EBP instalment may be adjusted up or down. Factors that can impact your EBP instalment include significant changes in the weather, gas rates or the amount of gas used.

If you cancel the Equal Billing Plan before the August true up, or if you move from your residence, the plan will be automatically trued up at that point and your account will be billed or credited for the difference between the EBP instalments paid and the cost of the gas you have used.

Each August, your gas usage for the previous year is reviewed to determine your new instalment amount for the coming plan year. You will be automatically re-enrolled in the plan in September for the next 12 months at your new monthly instalment amount.

4.10 Discontinuance of Gas Delivery – Customer Initiated

Customers who require a temporary disconnection of their gas service should contact Union Gas at 1-888-774-3111. During the temporary disconnection, customers must either continue to pay the monthly fixed charge or pay a disconnection and reconnection fee.

4.11 Disconnection for Non-payment

If any charges remain unpaid after the date shown on the invoice, Union Gas has the right to discontinue delivery of gas service.

Residential Accounts - If the customer does not initiate action to manage their arrears, delivery may be discontinued after giving 10 days written notification through a Disconnection Notice to the customer. The Disconnection Notice will indicate the earliest and latest date on which the disconnection will occur, provides payment options to avoid the disconnection of service and indicates that the disconnection can take place without further notification to the customer. In determining whether to issue a disconnection notice or to pursue additional payment arrangements with the customer, Union Gas will take into account any paid security deposit that is being held on the customer's account.

Non Residential Accounts - If the customer does not initiate action to manage their arrears, delivery may be discontinued after giving prior notification through a message on the bill or through other written notification to the customer. In addition to a bill message or written notification, Union Gas attempts to reach the customer by telephone prior to issuing a disconnect order.

At any time prior to service disconnection, a customer can make a payment at a financial institution, through Internet or telephone banking or by credit card, to cancel the disconnection order. Appendix E Page 23 of 25

If during the disconnection notice period, a third party, who has been designated by the customer, or a registered charity, government agency or social service agency, advises Union Gas that they are attempting to arrange assistance to help the customer pay their outstanding arrears, Union Gas will cancel the disconnection order and will delay further action for 21 days. If mutually agreeable payment arrangements are created during this process, but are subsequently missed, the account may be disconnected without further notice.

Once the account is paid in full, including any reconnection charges or security deposit required, the customer should contact Union Gas to arrange a suitable time within the following two business days during which Union Gas can visit the home or business to reconnect the gas service and relight and inspect the gas appliances.

4.12 Discontinuance of Gas Delivery for other than Non-payment

If we need to temporarily discontinue delivery of gas for meter maintenance, a meter change or line maintenance, Union Gas will make arrangements with the customer in advance as we will need access to the premises to relight and inspect the gas appliances. For safety reasons, gas service cannot be reinstated until this inspection is completed by one of our qualified technicians.

Note: *The above inspections are free, however, if the inspection is carried out at the request of a third party (i.e., lawyer, real estate broker, etc.) then the customer will be charged for the inspection.*

We may **discontinue service at any time for emergency or safety reasons** including:

- A gas leak or potential safety issue in your neighbourhood
- Fraudulent use of gas
- Any condition affecting appliances or piping which we believe is dangerous to life or property
- The use of gas for any purpose other than that described in the service application, gas sales contract, rate schedule or these rules and regulations
- If we are refused access for any lawful purpose to the premises to which gas is supplied
- When a customer tampers with, damages or destroys our property on their premises

4.13 Security Deposits

If you are a new customer to Union Gas or if future payment cannot be assured, you are required to provide a security deposit.

Residential Customers - The deposit will be equal to two of the average month's gas usage based on the last 12 months usage history. Customers are provided the option to pay the security deposit over a maximum of six monthly instalments without interest.

In the majority of cases, Union Gas will waive the security deposit if the customer enters into both the [Equal Billing Plan](#) and the [Automatic Payment Plan](#) or provides a letter of reference with a good rating from a Canadian natural gas or hydro utility dated within the past 60 days.

Deposits are automatically refunded with interest to the customers' account once the deposit has been paid in full and the customer has exhibited twelve months of good payment history. When the deposit is applied, the customer has the option of leaving the credit amount on their account for future bills or requesting a refund.

Non-Residential Customers - The deposit amount will be a maximum of the three highest consecutive months' usage history or \$500.00 if there is insufficient historical usage information for the premises. The deposit is refunded with interest after five years of exhibiting financial stability through a good payment history.

The security deposit may be waived if the customer meets certain criteria.

Acceptable types of security deposits are as follows:

- Money orders or certified cheques
- Letter of Guarantee such as a guarantee of customer payment by a financial institution.

If you do not provide the requested security deposit, delivery of gas will be discontinued. Once the account is paid in full, including the outstanding security deposit, the reconnection charge and any arrears, Union Gas will reconnect the gas service within two business days.

All monetary deposits earn simple interest based on the current bank savings rate. The interest is calculated monthly.

When the customer moves or discontinues gas service, the security deposit is applied to the customer's account.

4.14 Arrears Management Programs

Union Gas has arrears management programs available to customers who are unable to pay their gas charges. Union Gas works with customers to find mutually agreeable payment plans that could extend up to several months depending on the individual circumstances. Customers requiring payment assistance can contact a Union Gas representative at our contact centre by telephoning 1-888-774-3111.

Union Gas will contact the customer, to remind them of required payments under an agreed upon payment arrangement 10 days prior to cancellation of the arrangement and further collection action. Customers are advised at the time of the arrangement the importance of keeping the payments up to date to avoid further collection action.

4.15 Low-Income Customer Services Policies Program

For eligible low-income customers, Union Gas also offers a Low-Income Customer Services Policies Program. This program offers additional assistance to help low-income customers manage their natural gas account including:

- Enrolment in the Equal Billing Plan, if not already enrolled;
- Ability to waive security deposit requirements, as long as the natural gas service is not disconnected for non-payment and the eligible low-income customer has enrolled in the Equal Billing Plan;
- If payment arrangements are required, waiving of late payment charges for the duration of the arrangement, as long as the terms of the arrangement are kept.

Emergency financial assistance may also be available. The Union Gas Energy Assistance Program (UGEAP) is designed for eligible low-income families and individuals who have exhausted all other

sources of financial support. Approved households may receive one grant (up to \$500 maximum) each year. Appendix E
Page 25 of 25

You can choose to apply for either of these programs through various community and social agencies. Customers who are working with a social assistance agency will be given 21 days to secure emergency financial assistance before additional collection action will be taken for non-payment. Disconnection of gas service is always a last resort.

“Eligible low-income customer” means a residential customer who:

- Has an after-tax household income at or below Statistics Canada’s Low-Income Measure (LIM), taking into account family and community size, as qualified by a Social Service Agency or Government Agency; or
- Has been qualified for Emergency Financial Assistance.

4.16 Management of Customer Accounts

Union Gas will verify the identity of a customer prior to discussing account specific information. In accordance with applicable privacy laws, any personal information related to the account will only be shared with the party named as the customer on the account, unless written or verbal consent is provided by the party named as the primary customer on the account.

4.17 Customer Complaint Policy

Step 1: Call Union Gas

Call the Union Gas Customer Contact Centre at 1-888-774-3111, Monday through Friday between 8:00 a.m. and 6:00 p.m. All Union Gas representatives are trained to help answer your questions.

You may also send us an email at uniongas.com/residential/contactus

Step 2: Escalating your Concern

If you have a problem or concern that has not been satisfactorily resolved by our representatives, you may ask to further escalate your concern. Please be advised that you will be required to leave your name and a phone number where you can be contacted. A Union Gas representative will return your call within 2 business days.

Step 3: Submit your Complaint in Writing

Union Gas will respond to all written customer complaints in writing (unless otherwise agreed to by the customer) within 10 calendar days.

Written complaints can be mailed to:

Union Gas P.O. Box 2001
50 Keil Drive North
Chatham, Ontario
N7M 5M1

For further information on our written complaints policy, please visit [Customer Complaint Policy](#).

If your problem has not been resolved to your satisfaction, you can contact the [OEB](#).

1 **ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:**

2 **FORECASTS - OVERVIEW**

3
4 The purpose of this exhibit of evidence is to provide Enbridge Gas's 2019 forecast of volumes
5 and the associated forecasted costs of complying with the GGPPA, for each of the EGD rate zone
6 and Union rate zones.¹

7
8 This exhibit of evidence is organized as follows:

- 9 • Tab 1: Forecasts - EGD Rate Zone
10 • Tab 2: Forecasts - Union Rate Zones

11
12 **ENBRIDGE GAS'S FORECAST 2019 VOLUME AND CARBON COST**

13 Enbridge Gas's total 2019 regulated volume forecast subject to the GGPPA is 9,350,651
14 10³m³.² This results in an associated forecast total 2019 cost of \$361.4 million. The details of this
15 volume forecast and associated cost are included at Exhibit B, Tab 1 for the EGD rate zone and
16 at Exhibit B, Tab 2 for the Union rate zones.

17
18 **ENBRIDGE GAS'S FORECAST 2019 CUSTOMER VOLUME AND FEDERAL CARBON CHARGE COST**

19 Enbridge Gas's total 2019 Customer Volume forecast subject to the Federal Carbon Charge is

¹The forecast administration costs of complying with the GGPPA are detailed at Exhibit C.

²Total of EGD and Union rate zones regulated customer and facility-related volumes. Calculated as: Exhibit B, Tab 1, Schedule 1, Col. 3, Line 14 + Exhibit B, Tab 1, Schedule 2, Line 6 + Exhibit B, Tab 2, Schedule 1, Col. 3, Line 16 + Exhibit B, Tab 2, Schedule 2, Col. 1, Line 6.

1 9,182,794 10³m³. This results in an associated forecast 2019 Federal Carbon Charge cost of
2 \$359.0 million. This cost estimate is subject to change based on actual distribution volumes and
3 is meant to be used for informational purposes only. Customers will be charged the Federal
4 Carbon Charge rate on a monthly basis based on actual billed volumes.

5
6 For the purpose of estimating the Customer Volume forecast, Enbridge Gas excluded customer
7 volumes exempt from Part 1 of the GGPPA including OBPS-qualified customer volumes with
8 emissions exceeding 10 ktCO₂e.³ Enbridge Gas also excluded volumes delivered to downstream
9 distributors, including those distributors that are out of province, which are also exempt from
10 Part 1 of the GGPPA. Further, Enbridge Gas excluded 80% of the volumes delivered to
11 commercial greenhouse operators.⁴ Enbridge Gas is unable to determine customer volumes that
12 may apply for exemption from Part 1 of the GGPPA for non-covered activities, and therefore has
13 not adjusted its customer volume forecast for any potential volumes associated with non-covered
14 activities.⁵

15
16 Enbridge Gas notes that the customers exempt from Part 1 of the GGPPA will not be known
17 until customers provide Enbridge Gas their exemption certificate, which is issued to the customer

³ The 2019 Customer Volume forecast excludes estimated volumes from assumed mandatory and voluntary participants under the GGPPA that are expected to register under the OBPS.

⁴ The Department of Finance Canada has proposed that greenhouse operators receive partial relief of 80% of the Federal Carbon Charge for natural gas used in the operation of a commercial greenhouse.

⁵ Under the GGPPA, entities that use natural gas which is not put into a fuel system that produces heat or energy and those entities that use natural gas: (i) as a raw material in an industrial process that produces another fuel or another substance, material or thing; or (ii) as a solvent or diluent in the production or transport of crude bitumen or another substance, material or thing, meet the definition of a non-covered activity and may be exempt from Part 1 of the GGPPA.

1 upon registration with the CRA. This applies to those customers: (i) covered under OBPS; (ii)
2 that undertake non-covered activities; and (iii) operating commercial greenhouses. The
3 exemption certificate will indicate that the customer is fully or partially exempt from paying the
4 Federal Carbon Charge on their natural gas combustion fuel delivered by Enbridge Gas.
5 Enbridge Gas will use a declaration form, similar to the process the Utilities employed under the
6 Cap-and-Trade program, to identify which of a customer's accounts are exempt from the Federal
7 Carbon Charge. Enbridge Gas will also request and maintain on file copies of each customer's
8 CRA-issued exemption certificate and registration confirmation letter. Enbridge Gas will exempt
9 customers from the Federal Carbon Charge based on the accounts listed on the declaration form,
10 provided a CRA-issued exemption certificate and registration confirmation letter has been
11 provided.

12

13 **ENBRIDGE GAS'S FORECAST 2019 FACILITY VOLUME AND FACILITY CARBON CHARGE COST**

14 Enbridge Gas's total 2019 regulated Facility Volume forecast is 167,857 10³m³. This results in
15 an associated forecast 2019 Facility Carbon Charge cost of \$2.333 million. Facility Volumes are
16 based on the amount of natural gas required for Enbridge Gas to operate its facilities as well as
17 the emissions resulting from the distribution of natural gas. Facility Volumes are composed of:
18 (i) Company Use Volumes including distribution buildings, boilers/line heaters, and NGV fleet
19 volumes (which are subject to the Federal Carbon Charge under Part 1 of the GGPPA); and, (ii)
20 transmission and storage compression volumes (which are subject to the OBPS as Enbridge
21 Gas's transmission and storage system is a "covered facility" under Part 2 of the GGPPA). The
22 parameters underpinning Enbridge Gas's estimated OBPS Compliance Obligation can be found

- 1 at Exhibit B, Appendix A. The forecast 2019 Facility Volume and associated Facility Carbon
- 2 Charge cost estimate are based on the best available information at this time and are subject to
- 3 change based on actual Facility Volumes and final regulations.

1 **ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:**

2 **FORECASTS - EGD RATE ZONE**

3
4 The purpose of this tab of evidence is to provide Enbridge Gas's 2019 forecast of volumes and
5 the associated forecasted costs of complying with the GGPPA, for the EGD rate zone.

6
7 This tab of evidence is organized as follows:

- 8 1. Forecast 2019 Volume and Carbon Cost
9 2. Forecast 2019 Customer Volumes and Federal Carbon Charge Cost
10 3. Forecast 2019 Facility Volumes and Facility Carbon Charge Cost
11 3.1. Company Use Volumes
12 3.2. OBPS Volumes

13
14 **1. FORECAST 2019 VOLUME AND CARBON COST**

15 The EGD rate zone 2019 regulated volume forecast subject to the GGPPA is 5,797,409 10³m³.

16 This results in an associated forecast total 2019 cost of \$226.3 million. The details of this volume
17 forecast and associated cost are included in Exhibit B, Tab 1, Schedules 1 - 5. The forecast
18 employs the same methodologies which underpinned forecasts previously approved by the OEB.

19
20 **2. FORECAST 2019 CUSTOMER VOLUMES AND FEDERAL CARBON CHARGE COST**

21 The EGD rate zone total 2019 Customer Volume forecast subject to the Federal Carbon Charge

1 is 5,778,241 10^3m^3 as detailed at Exhibit B, Tab 1, Schedule 1. This results in an associated
2 forecast 2019 Federal Carbon Charge cost of \$225.9 million as detailed at Exhibit B, Tab 1,
3 Schedule 5. Enbridge Gas has included forecast distribution volumes subject to the Federal
4 Carbon Charge for all rate classes within the EGD rate zone as detailed at Exhibit B, Tab 1,
5 Schedule 1. The cost estimates are subject to change and are meant to be used for informational
6 purposes only. Customers will be charged the Federal Carbon Charge on a monthly basis based
7 on actual billed volumes.

8

9 **3. FORECAST 2019 FACILITY VOLUMES AND FACILITY CARBON CHARGE COST**

10 The EGD rate zone 2019 regulated Facility Volume forecast is 19,168 10^3m^3 as detailed at
11 Exhibit B, Tab 1, Schedule 2. This results in an associated forecast 2019 Facility Carbon Charge
12 cost of \$0.323 million as detailed at Exhibit B, Tab 1, Schedule 5. Facility Volumes are
13 composed of: (i) Company Use Volumes including distribution buildings, boilers/line heaters,
14 and NGV fleet volumes (which are subject to the Federal Carbon Charge under Part 1 of the
15 GGPPA); and, (ii) OBPS Volumes which includes compressor fuel (which is subject to the
16 OBPS as Enbridge Gas's storage system is a "covered facility" under Part 2 of the GGPPA). The
17 forecast 2019 regulated Facility Volume and associated forecast Facility Carbon Charge cost
18 estimate of \$0.323 million are based on the best available information at this time and are subject
19 to change based on actual Facility Volumes and final regulations.

20

1 3.1. COMPANY USE VOLUMES

2 The Company Use Volume forecast for 2019 including distribution buildings, boilers/line heaters
3 and NGV fleet volumes for the EGD rate zone is 3,609 10^3m^3 as detailed at Exhibit B, Tab 1,
4 Schedule 2. This results in an associated forecast 2019 Facility Carbon Charge cost of \$0.141
5 million as detailed at Exhibit B, Tab 1, Schedule 5.

6

7 3.2. OBPS VOLUMES

8 The OBPS Volume forecast for 2019 for the EGD rate zone is 15,559 10^3m^3 as detailed at
9 Exhibit B, Tab 1, Schedule 2. The subsequent forecast 2019 OBPS Obligation of 9,096 tCO_2e
10 results in a Facility Carbon Charge cost of \$0.182 million as detailed at Exhibit B, Tab 1,
11 Schedules 4 and 5.

12

13 Enbridge Gas's detailed calculations of the 2019 forecast compressor emissions, facility
14 emissions limit, OBPS compliance obligation and compressor fuel use cost for the EGD rate
15 zone can be found at Exhibit B, Tab 1, Schedules 3-5.

Updated: 2019-01-11
 EB-2018-0187
 EB-2018-0205
 Exhibit B
 Tab 1
 Schedule 1

Enbridge Gas Inc.
 EGD Rate Zone
2019 Customer-Related Volumes by Rate Class (April to December)
 (10³m³)

Line No.	Rate Class	Col. 1	Col. 2	Col. 3
		Forecast Volumes ¹	OBPS Participant & Other Exempt Volumes ²	(Col. 1 - Col. 2) Net Volumes
1	1	2,579,521	37	2,579,484
2	6	2,620,721	80,508	2,540,212
3	9	-	-	-
4	100	-	-	-
5	110	594,765	264,299	330,467
6	115	334,901	244,374	90,527
7	125	137,230	137,230	-
8	125D ⁴	60,145	60,145	-
9	135	64,215	-	64,215
10	145	28,267	3,404	24,863
11	170	236,246	87,773	148,474
12	200 ³	99,183	99,183	-
13	300	-	-	-
Total				
14	Customer-Related	6,755,193	976,953	5,778,241

Notes:

- (1) Forecast volumes after DSM from April 1, 2019 to December 31, 2019.
- (2) Estimated forecast volumes for mandatory and voluntary participants in the Output Based Pricing System (OBPS) and partial relief (80%) for greenhouse operators.
- (3) Includes volumes delivered to downstream distributors and landfill gas.
- (4) Dedicated unbundled customers.

Updated: 2019-01-11
EB-2018-0187
EB-2018-0205
Exhibit B
Tab 1
Schedule 2

Enbridge Gas Inc.
EGD Rate Zone
2019 Facility-Related Volumes
(10³ m³)

Line No.	Particulars	Forecast Amount
1	Company Use - Buildings	855
2	Company Use - Boilers/Line Heaters	2,023
3	Company Use - NGV Fleet	731
4	Total Company Use ¹	3,609
5	Compressor Fuel ²	15,559
6	Total Facility-Related	19,168

Notes:

(1) Forecast Company Use volumes for April 1 to December 31, 2019.

(2) Forecast Compressor Fuel for January 1 to December 31, 2019.

Enbridge Gas Inc.
 EGD Rate Zone

Table 1
2019 Forecast Compressor Emissions

Line No.	Particulars	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
		Volumes ¹ (10 ³ m ³)	CO ₂ Emissions ² (Tonnes CO ₂)	CH ₄ Emissions ³ (Tonnes CH ₄)	N ₂ O Emissions ⁴ (Tonnes N ₂ O)	CO ₂ e Emissions ⁵ (Tonnes CO ₂ e)
1	Compressor Fuel	15,559	29,308	30	1	30,282

Notes:

- (1) Exhibit B, Tab 1, Schedule 2, Line 5.
- (2) Col. 1 x Table 2, Col. 1, Line 1 x Table 2, Col. 1, Line 2.
- (3) Col. 1 x Table 2, Col. 2, Line 1 x Table 2, Col. 2, Line 2.
- (4) Col. 1 x Table 2, Col. 3, Line 1 x Table 2, Col. 3, Line 2.
- (5) Col. 2 + (Col. 3 x Table 3, Col. 1, Line 1) + (Col. 4 x Table 3, Col. 2, Line 1).

Table 2
Emission Factors

Line No.	Particulars	Units	Col. 1	Col. 2	Col. 3
			CO ₂ Emission Factor ⁶	CH ₄ Emission Factor ⁷	N ₂ O Emission Factor ⁷
1	Boilers & Compressor Fuel Volumes	Tonne/GJ	0.04903	0.00004958	0.000001305
2	Budget Heat Value ⁸	GJ/10 ³ m ³	38.42	38.42	38.42

Notes:

- (6) Ontario Ministry of Environment, Conservation and Parks "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions - Effective August 2018", Table 20-3.
- (7) Ontario Ministry of Environment, Conservation and Parks "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions - Effective August 2018", Table 20-4.
- (8) Assumed Budget Heat Value = 38.42 GJ/10³m³. In calculating actual emissions, actual heating value will be used.

Table 3
Conversion Factors

Line No.	Particulars	Units	Col. 1	Col. 2
			Methane ⁹	Nitrous Oxide ⁹
1	Global Warming Potential for Carbon Dioxide Equivalent	Tonnes CO ₂ e	25	298

Notes:

- (9) Environment and Climate Change Canada "Technical Guidance on Reporting Greenhouse Gas Emissions - 2017 Data", Table 1.

Enbridge Gas Inc.
 EGD Rate Zone
2019 Forecast OBPS Obligation

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
Line No.	2019 Forecast Compressor Emissions ¹ (tCO ₂ e)	2016 - 2017 EGD Average Emission Intensity (tCO ₂ e/MWh)	2019 Forecast Production ² (MWh)	2019 Sector Emission Intensity Target ³ (tCO ₂ e/MWh)	Facility Emissions Limit ⁴ (tCO ₂ e)	OBPS Compliance Obligation ⁵ (tCO ₂ e)
1	30,282	0.599	50,564	0.419	21,186	9,096

Notes:

- (1) Exhibit B, Tab 1, Schedule 3, Table 1, Col. 5.
- (2) Col. 1 / Col. 2.
- (3) Based on value in Regulatory Proposal for the Output-Based Pricing System Regulations under the Greenhouse Gas Pollution Pricing Act.
- (4) Col. 3 x Col. 4.
- (5) Col. 1 - Col. 5.

Enbridge Gas Inc.
 EGD Rate Zone
2019 Summary of Customer-Related and Facility-Related Costs

Line No.	Particulars	2019 Forecast
<u>Customer-Related Cost Forecast</u>		
1	Customer-related Forecast Volume (10^3m^3) ⁽¹⁾	5,778,241
2	Federal Carbon Charge (\$/m ³) ⁽²⁾	0.0391
3	Total Customer-Related Costs (\$)	225,929,211
<u>Facility-Related Cost Forecast</u>		
4	Company Use Forecast Volume (10^3m^3) ⁽³⁾	3,609
5	Federal Carbon Charge (\$/m ³) ⁽²⁾	0.0391
6	Company Use Costs (\$)	141,116
7	OBPS Obligation (tCO ₂ e) ⁽⁴⁾	9,096
8	Federal Excess Emissions Charge (\$/tCO ₂ e) ⁽²⁾	20.00
9	Compressor Fuel Use Costs (\$)	181,920
10	Total Facility-Related Costs (\$)	323,036
11	Total Cost Forecast (\$)	226,252,247

Notes:

- (1) Exhibit B, Tab 1, Schedule 1. Forecast volumes from April 1, 2019 to December 31, 2019.
- (2) Exhibit A, Table 1.
- (3) Exhibit B, Tab 1, Schedule 2, Line 4. Forecast volumes from April 1, 2019 to December 31, 2019.
- (4) Exhibit B, Tab 1, Schedule 4. Forecast from January 1, 2019 to December 31, 2019.

1 **ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:**

2 **FORECASTS - UNION RATE ZONES**

3
4 The purpose of this tab of evidence is to provide Enbridge Gas's 2019 forecast of volumes and
5 the associated forecasted costs of complying with the GGPPA, for the Union rate zones.

6
7 This tab of evidence is organized as follows:

- 8 1. Forecast 2019 Volume and Carbon Cost
9 2. Forecast 2019 Customer Volumes and Federal Carbon Charge Cost
10 3. Forecast 2019 Facility Volumes and Facility Carbon Charge Cost
11 3.1. Company Use Volumes
12 3.2. OBPS Volumes

13
14 **1. FORECAST 2019 VOLUME AND CARBON COST**

15 The Union rate zones 2019 regulated volume forecast subject to the GGPPA is 3,553,242 10³m³.

16 This results in an associated forecast total cost of \$135.1 million. The details of this volume
17 forecast and associated cost are included in Exhibit B, Tab 2, Schedules 1 - 5.

18
19 The forecast employs the same methodologies which underpinned forecasts previously approved
20 by the OEB. Enbridge Gas has excluded unregulated non-utility storage volumes and associated
21 costs. Non-utility costs are those associated with Enbridge Gas's unregulated non-utility storage

1 business.

2

3 **2. FORECAST 2019 CUSTOMER VOLUMES AND FEDERAL CARBON CHARGE COST**

4 The Union rate zones total 2019 Customer Volume forecast subject to the Federal Carbon
5 Charge is 3,404,553 10^3m^3 as detailed at Exhibit B, Tab 2, Schedule 1. This results in an
6 associated forecast 2019 Federal Carbon Charge cost of \$133.1 million as detailed at Exhibit B,
7 Tab 2, Schedule 5. Enbridge Gas has included forecast distribution volumes subject to the
8 Federal Carbon Charge for all rate classes within the Union rate zones as detailed at Exhibit B,
9 Tab 2, Schedule 1. The cost estimates are subject to change and are meant to be used for
10 informational purposes only. Customers will be charged the Federal Carbon Charge on a
11 monthly basis based on actual billed volumes.

12

13 **3. FORECAST 2019 FACILITY VOLUMES AND FACILITY CARBON CHARGE COST**

14 The Union rate zones total 2019 regulated Facility Volume forecast is 148,689 10^3m^3 as detailed
15 at Exhibit B, Tab 2, Schedule 2. This results in an associated forecast 2019 Facility Carbon
16 Charge cost of \$2.010 million as detailed at Exhibit B, Tab 2, Schedule 5. Facility Volumes are
17 composed of: (i) Company Use Volumes including distribution buildings, boilers/line heaters,
18 and NGV fleet volumes (which are subject to the Federal Carbon Charge under Part 1 of the
19 GGPPA); and (ii) OBPS Volumes which includes compressor fuel (which is subject to the OBPS
20 as Enbridge Gas's storage system is a "covered facility" under Part 2 of the GGPPA). The
21 forecast 2019 regulated Facility Volume and associated forecast Facility Carbon Charge cost

1 estimate of \$2.010 million are based on the best available information at this time and are subject
2 to change based on actual Facility Volumes and final regulations.

3

4 3.1. COMPANY USE VOLUMES

5 The Company Use Volume forecast for 2019 including distribution buildings, boilers/line heaters
6 and NGV fleet volumes for the Union rate zones is 4,569 10³m³ as detailed at Exhibit B, Tab 2,
7 Schedule 2.¹ This results in an associated forecast 2019 Facility Carbon Charge cost of \$0.179
8 million as detailed at Exhibit B, Tab 2, Schedule 5.

9

10 3.2. OBPS VOLUMES

11 The OBPS Volume forecast for 2019 for the Union rate zones is 155,666 10³m³ as detailed at
12 Exhibit B, Tab 2, Schedule 2.² The subsequent forecast 2019 OBPS obligation of 98,882 tCO₂e
13 results in a total Facility Carbon Charge cost of \$1.978 million as detailed at Exhibit B, Tab 2,
14 Schedules 4 and 5. Of the \$1.978 million, \$1.831 million is attributable to Enbridge Gas's
15 regulated operations in the Union rate zones.

16

17 The OBPS Volume forecast is derived by combining forecasts for regulated utility and
18 unregulated non-utility compression activity into an overall physical activity forecast. Enbridge
19 Gas has excluded unregulated non-utility compression volumes and associated costs in deriving

¹ Enbridge Gas's buildings and boiler/line heater fuel volume forecast for the Union rate zones is based on a three-year average of consumption by location. For new buildings with no historical information, a volume estimate is used.

² This includes both utility and non-utility volumes.

1 the Facility Carbon Charge cost to be recovered in regulated rates. The OBPS Volume forecast
2 for the Union rate zones includes transmission compression, storage compression and
3 dehydration fuel.³
4
5 Enbridge Gas's detailed calculations of the 2019 forecast compressor emissions, facility
6 emissions limit, OBPS compliance obligation and compressor fuel use cost for the Union rate
7 zones can be found at Exhibit B, Tab 2, Schedule 3-5.

³ The transmission and storage compression forecast is derived by combining forecasts for in-franchise and ex-franchise transmission and storage activity into an overall physical activity forecast. For dehydration fuel, average historical utilization is used to estimate the monthly forecasted usage.

Enbridge Gas Inc.
 Union Rate Zones
2019 Customer-Related Volumes by Rate Class (April to December)
 (10³m³)

Line No.	Rate Class	Col. 1	Col. 2	Col. 3
		Forecast Volumes ¹	OBPS Participant & Other Exempt Volumes ²	(Col. 1 - Col. 2) Net Volumes
1	01	507,546	127	507,419
2	10	203,972	17,762	186,210
3	M1	1,597,822	1,742	1,596,080
4	M2	709,068	64,258	644,809
5	20	434,715	386,593	48,122
6	25	44,540	5,300	39,240
7	100	519,366	519,366	-
8	M10 ³	583	583	-
9	M4	451,407	243,141	208,266
10	M5	50,113	18,309	31,804
11	M7	326,807	267,151	59,656
12	M9 ³	56,760	56,760	-
13	T1	353,146	298,884	54,262
14	T2	2,796,667	2,767,981	28,686
15	T3 ³	156,151	156,151	-
Total				
16	Customer-Related	8,208,663	4,804,111	3,404,553

Notes:

- (1) Forecast volumes after DSM from April 1, 2019 to December 31, 2019.
- (2) Estimated forecast volumes for mandatory and voluntary participants in the Output Based Pricing System (OBPS) and partial relief (80%) for greenhouse operators.
- (3) Includes volumes delivered to downstream distributors and landfill gas.

Enbridge Gas Inc.
 Union Rate Zones
2019 Facility-Related Volumes
 (10³ m³)

Line No.	Particulars	Col. 1	Col. 2	Col. 3
		Utility Forecast Amount (regulated)	Non-Utility Forecast Amount (unregulated)	(Col. 1 + Col. 2) Total Forecast Amount
1	Company Use - Buildings	801	-	801
2	Company Use - Boilers/Line Heaters	3,768	7	3,776
3	Company Use - NGV Fleet ¹	-	-	-
4	<u>Total Company Use²</u>	<u>4,569</u>	<u>7</u>	<u>4,577</u>
5	Compressor Fuel ³	144,119	11,547	155,666
6	<u>Total Facility-Related</u>	<u>148,689</u>	<u>11,554</u>	<u>160,243</u>

Notes:

(1) NGV fleet volumes for the Union rate zone are not material and are not included in the 2019 facility-related volume forecast. Enbridge Gas will include any actual costs associated with NGV fleet volumes in the Union rate zones in final 2019 deferral and variance account balances to be disposed of in a future proceeding.

(2) Forecast Company Use volumes for April 1 to December 31, 2019.

(3) Forecast Compressor Fuel for January 1 to December 31, 2019.

Enbridge Gas Inc.
 Union Rate Zones

Table 1
2019 Forecast Compressor Emissions

Line No.	Particulars	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
		Volumes ¹ (10 ³ m ³)	CO ₂ Emissions ² (Tonnes CO ₂)	CH ₄ Emissions ³ (Tonnes CH ₄)	N ₂ O Emissions ⁴ (Tonnes N ₂ O)	CO ₂ e Emissions ⁵ (Tonnes CO ₂ e)
1	Compressor Fuel	155,666	296,821	300	8	306,679

Notes:

- (1) Exhibit B, Tab 2, Schedule 2, Col. 3, Line 5.
 (2) Col. 1 x Table 2, Col. 1, Line 1 x Table 2, Col. 1, Line 2.
 (3) Col. 1 x Table 2, Col. 2, Line 1 x Table 2, Col. 2, Line 2.
 (4) Col. 1 x Table 2, Col. 3, Line 1 x Table 2, Col. 3, Line 2.
 (5) Col. 2 + (Col. 3 x Table 3, Col. 1, Line 1) + (Col. 4 x Table 3, Col. 2, Line 1).

Table 2
Emission Factors

Line No.	Particulars	Units	Col. 1	Col. 2	Col. 3
			CO ₂ Emission Factor ⁶	CH ₄ Emission Factor ⁷	N ₂ O Emission Factor ⁷
1	Boilers & Compressor Fuel Volumes	Tonne/GJ	0.04903	0.00004958	0.000001305
2	Budget Heat Value ⁸	GJ/10 ³ m ³	38.89	38.89	38.89

Notes:

- (6) Ontario Ministry of Environment, Conservation and Parks "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions - Effective August 2018", Table 20-3.
 (7) Ontario Ministry of Environment, Conservation and Parks "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions - Effective August 2018", Table 20-4.
 (8) Assumed Budget Heat Value = 38.89 GJ/10³m³. In calculating actual emissions, actual heating value will be used.

Table 3
Conversion Factors

Line No.	Particulars	Units	Col. 1	Col. 2
			Methane ⁹	Nitrous Oxide ⁹
1	Global Warming Potential for Carbon Dioxide Equivalent	Tonnes CO ₂ e	25	298

Notes:

- (9) Environment and Climate Change Canada "Technical Guidance on Reporting Greenhouse Gas Emissions - 2017 Data", Table 1.

Enbridge Gas Inc.
 Union Rate Zones
2019 Forecast OBPS Obligation

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
Line No.	2019 Forecast Compressor Emissions ¹ (tCO ₂ e)	2016 - 2017 Union Average Emission Intensity (tCO ₂ e/MWh)	2019 Forecast Production ² (MWh)	2019 Sector Emission Intensity Target ³ (tCO ₂ e/MWh)	Facility Emissions Limit ⁴ (tCO ₂ e)	OBPS Compliance Obligation ⁵ (tCO ₂ e)
1	306,679	0.620	495,534	0.419	207,796	98,882

Notes:

- (1) Exhibit B, Tab 2, Schedule 3, Table 1, Col. 5.
- (2) Col. 1 / Col. 2.
- (3) Based on value in Regulatory Proposal for the Output-Based Pricing System Regulations under the Greenhouse Gas Pollution Pricing Act.
- (4) Col. 3 x Col. 4.
- (5) Col. 1 - Col. 5.

Enbridge Gas Inc.
 Union Rate Zones

2019 Summary of Customer-Related and Facility-Related Costs

Line No.	Particulars	2019 Forecast
<u>Customer-Related Cost Forecast</u>		
1	Customer-related Forecast Volume (10^3m^3) ⁽¹⁾	3,404,553
2	Federal Carbon Charge (\$/m ³) ⁽²⁾	0.0391
3	Total Customer-Related Costs (\$)	133,118,008
<u>Facility-Related Cost Forecast</u>		
4	Company Use Forecast Volume - Regulated (10^3m^3) ⁽³⁾	4,569
5	Federal Carbon Charge (\$/m ³) ⁽²⁾	0.0391
6	Company Use Costs - Regulated (\$)	178,664
7	OBPS Obligation (tCO ₂ e) ⁽⁴⁾	98,882
8	Federal Excess Emissions Charge (\$/tCO ₂ e) ⁽²⁾	20.00
9	Compressor Fuel Use Costs (\$)	1,977,640
10	Compressor Fuel Use Costs - Unregulated (\$) ⁽⁵⁾	(146,695)
11	Compressor Fuel Use Costs - Regulated (\$)	1,830,945
12	Total Facility-Related Costs - Regulated (\$)	2,009,609
13	Total Cost Forecast - Regulated (\$)	135,127,617

Notes:

- (1) Exhibit B, Tab 2, Schedule 1. Forecast volumes from April 1, 2019 to December 31, 2019.
- (2) Exhibit A, Table 1.
- (3) Exhibit B, Tab 2, Schedule 2, Column 1, Line 4. Forecast volumes from April 1, 2019 to December 31, 2019.
- (4) Exhibit B, Tab 2, Schedule 4. Forecast from January 1, 2019 to December 31, 2019.
- (5) Unregulated OBPS costs are allocated based on pro-rata regulated/unregulated total compressor volumes per Exhibit B, Tab 2, Schedule 2.

ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:

ENBRIDGE GAS'S ESTIMATED OBPS COMPLIANCE OBLIGATION

On October 31, 2018 the *Greenhouse Gas Emissions Information Production Order* (the “Order”) was published in Canada Gazette II.¹ On December 20, 2018, ECCC released the Regulatory Proposal for the Output-Based Pricing System Regulations under the *Greenhouse Gas Pollution Pricing Act* (the “Regulatory Proposal”).² Based on the Order and Regulatory Proposal, the annual compliance obligation under OBPS is calculated as follows:

Compliance Obligation (tCO₂e) = Annual Facility Emissions – Annual Facility Emissions Limit

Where:

Annual Facility Emissions (tCO₂e) = Total Annual Facility Emissions³ (Gas Transmission pipeline system)

Annual Facility Emissions Limit (tCO₂e) = OBS (tCO₂e/production units) × Annual Production (production units)

For forecasting purposes, the annual facility emissions limit was calculated by using ECCC's

Output Based Standard (“OBS”) for the natural gas transmission sector of 0.419 tCO₂e/MWh.⁴

¹ SOR/2018-214 available at <http://gazette.gc.ca/rp-pr/p2/2018/2018-10-31/html/sor-dors214-eng.html>, as amended on December 20, 2018 by SOR/2018-277 available at <http://gazette.gc.ca/rp-pr/p2/2018/2018-12-20-x2/html/sor-dors277-eng.html>.

² Available at <https://www.canada.ca/content/dam/eccc/documents/pdf/climate-change/pricing-pollution/obps-regulatory-proposal-en.pdf>.

³ Excluding emissions covered by ECCC's Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds (Upstream Oil and Gas Sector).

This benchmark was developed by ECCC based on data provided by companies in the natural gas pipeline sector, and represents 80% of the production-weighted average of that data. Enbridge Gas notes that this OBS value has not been finalized by ECCC and may be subject to change. Any changes to this factor will impact Enbridge Gas's Facility Carbon Charge, and any related variance between the costs included in OEB-approved rates and the actual costs will be recorded in Federal Carbon Charge – Facility Variance Accounts for the EGD rate zone and Union rate zones respectively (see Exhibit D for additional detail).

Forecast annual production is forecast compressor energy use based on the following formula:

$$\text{Energy (MWh)}^5 = \text{Rated Compressor Brake Power (MW)} \times \text{Load (\%)} \times \text{Operating Hours (h)}$$

Where:

$$\text{Load (\%)} = \text{Either the \% load of the engine, or calculated by Average Annual Speed (RPM)} \div \text{Max Rated Speed (RPM)}$$

To forecast the annual production value for 2019, Enbridge Gas has calculated the compressor energy use in MWh for 2016 and 2017 and used an average of this data. Enbridge Gas's detailed calculations of the 2019 forecast emissions, facility emissions limit, OBPS compliance obligation and OBPS facility carbon cost for each of the EGD rate zone and Union rate zones can be found at Exhibit B, Tab 1, Schedules 3 - 5 and at Exhibit B, Tab 2, Schedules 3 - 5.

⁴As shown in Item 6 in Schedule 1 of the Regulatory Proposal.

⁵ Amount of work required by a compressor to transport gas.

1 **ENBRIDGE GAS FEDERAL CARBON PRICING PROGRAM APPLICATION:**

2 **ADMINISTRATION COSTS**

3
4 The purpose of this exhibit of evidence is to outline Enbridge Gas's forecast 2019 administration
5 costs associated with implementation of the GGPPA.

6
7 This exhibit of evidence is organized as follows:

8 1. Administration Costs

9 1.1. IT Billing System Costs

10 1.2. Staffing Resources

11 1.3. Consulting and External Legal Support

12 1.4. GHG Reporting and Verification

13 1.5. Bad Debt

14 1.6. Other Miscellaneous Costs

15
16 **1. ADMINISTRATION COSTS**

17 As outlined in Table 1, Enbridge Gas's forecast 2019 administration costs are \$3.1 million.

18 Enbridge Gas will record actual costs in the GGEADA as described at Exhibit D, until such time
19 that these costs are incorporated into rates.¹ Enbridge Gas is providing forecast 2019
20 administration costs for informational purposes only and will seek recovery of its actual 2019

¹ Subject to OEB approval to establish the new GGEADA.

1 administration costs in a future proceeding. A description of the components comprising
2 Enbridge Gas's forecast 2019 administration costs is provided in Table 1.

3 Table 1

4 Enbridge Gas 2019 Forecast Administration Costs

Cost Element	2019 Forecasted Costs (\$millions)
IT Billing System	0.6
Staffing Resources	1.2
Consulting & External Legal Support	0.2
GHG Reporting & Verification	0.1
Bad Debt	0.8
Other Miscellaneous Costs	0.2
Total	3.1
Note: OEB Proceeding costs and related legal expenditures have not been included in this forecast.	

5

6 1.1. IT BILLING SYSTEM COSTS

7 In 2016, EGD and Union designed and implemented billing system changes to allow for the
8 collection of Cap-and-Trade charges effective January 1, 2017. These changes included
9 functionality for the inclusion of carbon charges in IT billing systems and customer bills. In the
10 near term, Enbridge Gas will maintain separate billing systems for the EGD rate zone and Union
11 rate zones. Both billing systems will require modifications in order to comply with the GGPPA.
12 The total costs of billing system changes are estimated to be \$0.6 million for 2019.

13

14 *Cap-and-Trade Billing System Functionality*

15 Enbridge Gas has determined that certain Cap-and-Trade related billing system functionality
16 built for the EGD rate zone and Union rate zones can be re-purposed to collect GGPPA-related
17 charges. As such, Enbridge Gas will continue to seek recovery of the revenue requirement

1 associated with these system modifications. For 2019, Enbridge Gas forecasts the revenue
2 requirement associated with Cap-and-Trade related billing system functionality to be \$0.2
3 million for the EGD rate zone and \$0.2 million for the Union rate zones. The 2019 revenue
4 requirement on these costs has not been previously collected from customers.

5

6 *Additional GGPPA Billing System Functionality*

7 Enbridge Gas has determined that while its Cap-and-Trade related billing system functionality
8 built for the EGD rate zone and Union rate zones can be re-purposed, additional billing system
9 modifications are required to collect GGPPA-related charges. Enbridge Gas estimates the O&M
10 costs of additional billing system modifications to be \$0.2 million for the EGD rate zone in 2019
11 and has included this amount in forecast 2019 administration costs.² Enbridge Gas estimates
12 capital costs of additional billing system modifications to be \$0.1 million for the Union rate
13 zones in 2019 and has included the associated revenue requirement in forecast 2019
14 administration costs.³

15

16 1.2. STAFFING RESOURCES

17 For 2019, staffing costs are currently estimated to be approximately \$1.2 million. These fully
18 allocated costs are for the six full time equivalents (“FTEs”) that comprise the Carbon Strategy
19 team. This level of staffing reflects the incremental level of effort Enbridge Gas has experienced
20 to-date and expects to require across the organization to comply with the GGPPA in 2019. With

² The billing system modifications required for the EGD rate zone have been forecast as O&M due to their nature.

³ Forecast 2019 revenue requirement for billing system modifications for the Union rate zones is approximately \$0.002 million.

1 the establishment of other carbon related programs and initiatives, such as the Federal Clean Fuel
2 Standard (“CFS”), Enbridge Gas may require additional incremental staffing resources. Enbridge
3 Gas will seek OEB approval to recover prudently incurred actual 2019 staffing costs that reflect
4 the incremental effort required to comply with the GGPPA and other federal and provincial
5 regulations, together with its overall 2019 administration costs, in a future proceeding.

6
7 Enbridge Gas notes that the GGPPA impacts a wide variety of groups across the organization
8 and wherever reasonable to do so Enbridge Gas has leveraged existing resources outside of the
9 Carbon Strategy team and will continue to do so going forward. This demonstrates Enbridge
10 Gas’s commitment to cost effectiveness, productivity gains and continuous improvement. These
11 ancillary resources and related costs will not be recorded in the GGEADA.

12 13 1.3. CONSULTING AND EXTERNAL LEGAL SUPPORT

14 Enbridge Gas anticipates that it will incur \$0.2 million in consulting and external legal costs in
15 2019 for work supporting the development and sustainment of Enbridge Gas’s carbon strategy
16 and related analyses, as well as the review and interpretation of any new or updated regulations
17 associated with the GGPPA or other provincial and federal GHG or carbon pricing programs.⁴
18 These expenditures are required to ensure that Enbridge Gas remains well-informed of, and in
19 compliance with, new regulatory requirements. Enbridge Gas also notes that it may incur
20 additional consulting and external legal costs associated with other provincial and federal GHG
21 or carbon pricing programs, such as the CFS. These costs will also be recorded in the GGEADA.

⁴ OEB proceeding costs and associated legal expenditures are not included in this forecast.

1 1.4. GHG REPORTING AND VERIFICATION

2 In accordance with Ontario Regulation 390/18 Enbridge Gas is required to annually report
3 customer emissions, combustion emissions, fugitive emissions and emissions from flaring and
4 venting. Customer-related and combustion emissions must be verified by a third party auditor.

5

6 Because Enbridge Gas's current OEB-approved rates for the EGD rate zone and Union rate
7 zones were not developed assuming the requirement to audit the customer-related emissions, the
8 costs associated with this portion of emissions verification will be captured in the 2019
9 GGEADA. Enbridge Gas anticipates the fees associated with the 2019 emissions verification to
10 be \$0.1 million.

11

12 1.5. BAD DEBT

13 Enbridge Gas estimates that it will incur approximately \$0.8 million in incremental bad debt
14 expenses in 2019 based on the percentage increase in expected amounts to be recovered from
15 customers as a result of the GGPPA.

16

17 Enbridge Gas has included forecast bad debt as part of its cost forecast in Table 1. However,
18 only the actual customer account balance related to the GGPPA that is written off will be
19 included in the GGEADA.

20

1 1.6. OTHER MISCELLANEOUS COSTS

2 Enbridge Gas expects to incur approximately \$0.2 million in miscellaneous costs for customer
3 outreach and communications, training, conferences, travel expenses, memberships and
4 subscriptions associated with the GGPPA or other provincial and federal GHG or carbon pricing
5 programs in 2019.

6

7 As discussed in the Communications Plan set out at Exhibit A, Appendix C, Enbridge Gas will
8 leverage existing communication methods, including targeted customer communications (e.g.
9 bill inserts, on-envelope messages, dedicated webpages, and customer meetings) and customer
10 call centre staff to inform customers of the bill impacts of the GGPPA and cost reduction
11 measures available to them. Accordingly, Enbridge Gas expects to incur costs to train its call
12 centre staff in 2019. Enbridge Gas also expects to incur training costs in 2019 related to the
13 modifications made to billing systems as discussed at Section 1.1.

1 **ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:**

2 **DEFERRAL AND VARIANCE ACCOUNTS**

3
4 The purpose of this exhibit of evidence is to address deferral and variance account matters
5 associated with Enbridge Gas’s Application. Allocation and disposition of 2019 deferral and
6 variance account balances will be addressed in a future proceeding.

7
8 This exhibit of evidence is organized as follows:

- 9 1. Existing Cap-and-Trade Deferral and Variance Accounts
10 2. New Deferral and Variance Account Requests

11
12 1. **EXISTING CAP-AND-TRADE DEFERRAL AND VARIANCE ACCOUNTS**

13 Enbridge Gas has two existing Greenhouse Gas Emission Impact Deferral Accounts (the
14 “GGEIDAs”), one for each of the EGD (Account No. 179.32) and Union (Account No. 179-
15 152). The purpose of these accounts is to record “*the administrative costs associated with the*
16 *impacts of provincial and federal regulations related to greenhouse gas emission*
17 *requirements*”.¹ Accordingly, the Utilities used these accounts to record the administration
18 costs incurred related to provincial and federal regulations from 2016 to 2018 for the EGD
19 rate zone and Union rate zones respectively.

20

¹EB-2018-0305, Exhibit B1, Tab 1, Schedule 1, Appendix A, p. 12; EB-2018-0305, Exhibit B1, Tab 1, Schedule 1, Appendix B, p. 29.

1 Enbridge Gas also has Customer-Related and Facility-Related deferral/variance accounts
2 (Account No. 179.82, Account No. 179.84, Account No. 179-154 and Account No. 179-155) to
3 record the variances between actual Cap-and-Trade Program specific obligation costs and the
4 actual amount recovered in rates for each of EGD and Union in 2017 and 2018.²

5
6 As part of their respective October 2018 QRAM proceedings, the Utilities received approval to
7 dispose of the forecast balances in their existing Cap-and-Trade related deferral and variance
8 accounts as at September 30, 2018, on an interim basis. The OEB is currently undertaking a
9 prudence review (EB-2018-0331) to ensure that all costs incurred under the Cap-and-Trade
10 program including the deferral and variance account balances disposed of are appropriate.
11 Enbridge Gas will apply to close the existing GGEIDAs and the Cap-and-Trade Customer-
12 related and Facility-related deferral/variance accounts once the balances in these accounts have
13 been disposed of on a final basis. Accordingly, Enbridge Gas is requesting new deferral and
14 variance accounts related to the GGPPA.

15
16 2. **NEW DEFERRAL AND VARIANCE ACCOUNT REQUESTS**

17 Enbridge Gas is requesting OEB approval to establish five new deferral and variance accounts to
18 ensure compliance with the GGPPA in 2019 and beyond. The new accounts will record: (i)
19 actual combined administration costs for all rate zones (effective January 1, 2019); (ii) Federal
20 Carbon Charge cost variances between the actual costs incurred and the amount collected
21 through rates related to the volumes delivered by Enbridge Gas for each of the EGD rate zone

² These accounts did not contemplate any costs driven by federal regulations.

1 and Union rate zones (effective April 1, 2019); and (iii) Facility Carbon Charge cost variances
2 between the actual costs incurred and the amount collected through rates for each of the EGD
3 rate zone and Union rate zones (effective January 1, 2019).³ The establishment of these new
4 accounts will ensure that the costs of compliance with the GGPPA are clearly delineated from
5 those incurred under the Cap-and-Trade Program.

6

7 Specifically, Enbridge Gas is requesting final OEB approval to establish the following five new
8 deferral and variance accounts as part of this Application:

9

10 1. Greenhouse Gas Emissions Administration Deferral Account (Account No. 179-___)

11 To record the administration costs associated with the impacts of provincial and federal
12 regulations related to greenhouse gas emission requirements for Enbridge Gas effective
13 January 1, 2019.

14

15 2. Federal Carbon Charge – Customer Variance Account - EGD Rate Zone (Account No.
16 179.____)

17 To record the variances between actual customer carbon costs and customer carbon costs
18 recovered in rates for distribution volumes delivered by Enbridge Gas within the EGD rate
19 zone effective April 1, 2019.⁴

20

³ EB-2018-0205/EB-2018-0187, Interim Decision and Accounting Order; The facility carbon cost variance accounts were approved on an interim basis on December 14, 2018.

⁴ With the exception of exempted customers as explained in Exhibit A.

1 3. Federal Carbon Charge – Customer Variance Account - Union Rate Zones (Account No.
2 179-___)

3 To record the variances between actual customer carbon costs and customer carbon costs
4 recovered in rates for distribution volumes delivered by Enbridge Gas within the Union rate
5 zones effective April 1, 2019.⁵

6

7 4. Federal Carbon Charge – Facility Variance Account - EGD Rate Zone (Account No.
8 179.___)

9 To record the variance between actual facility carbon costs and facility carbon costs recovered
10 in rates within the EGD rate zone effective January 1, 2019.

11

12 5. Federal Carbon Charge – Facility Variance Account - Union Rate Zones (Account No.
13 179-___)

14 To record the variance between actual facility carbon costs and facility carbon costs recovered
15 in rates within the Union rate zones effective January 1, 2019.

16

17 Draft accounting orders for the proposed new deferral and variance accounts are contained at
18 Exhibit D, Appendix A.

⁵ With the exception of exempted customers as explained in Exhibit A.

DRAFT

ENBRIDGE GAS INC.

**Accounting Entries for
Greenhouse Gas Emissions Administration Deferral Account
Deferral Account No. 179-XXX**

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

Debit - Account No.179-XXX
Other Deferred Charges – Greenhouse Gas Emissions Administration Deferral Account

Credit - Account No. 728
General Expense

To record, as a debit (credit) in Deferral Account No. 179-XXX, the administration costs associated with the impacts of provincial and federal regulations related to greenhouse gas emission requirements.

Debit - Account No.179-XXX
Other Deferred Charges – Greenhouse Gas Emissions Administration Deferral Account

Credit - Account No. 323
Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-XXX, interest on the balance in Deferral Account No. 179-XXX. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

DRAFT

ACCOUNTING TREATMENT FOR A
FEDERAL CARBON CHARGE-FACILITY VARIANCE ACCOUNT
("FCCFVA") – EGD RATE ZONE

The purpose of the FCCFVA is to record the variance between actual facility carbon costs and facility carbon costs recovered in rates as approved by the Board.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the variance in facility related charges:

Debit/Credit:	FCCFVA	(Account 179.____)
Credit/Debit:	Miscellaneous Operating Revenue	(Account 579. 000)

To record the variance between actual facility carbon costs and the facility carbon costs recovered in rates.

2. Interest accrual:

Debit/Credit:	Interest on FCCFVA	(Account 179.____)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the FCCFVA using the Board approved EB-2006-0117 interest rate methodology.

DRAFT

ACCOUNTING TREATMENT FOR A
FEDERAL CARBON CHARGE-CUSTOMER VARIANCE ACCOUNT
("FCCCVA") – EGD RATE ZONE

The purpose of the FCCCVA is to record the variance between actual customer carbon costs and customer carbon costs recovered in rates as approved by the Board.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the variance in customer carbon charges:

Debit/Credit:	FCCCVA	(Account 179.____)
Credit/Debit:	Miscellaneous Operating Revenue	(Account 579. 000)

To record the variance between actual customer carbon costs and the customer carbon costs recovered in rates.

2. Interest accrual:

Debit/Credit:	Interest on FCCCVA	(Account 179.____)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the FCCCVA using the Board approved EB-2006-0117 interest rate methodology.

DRAFT

UNION RATE ZONES

**Accounting Entries for
Federal Carbon Charge – Facility Variance Account
Deferral Account No. 179-XXX**

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

Debit - Account No. 179-XXX
Other Deferred Charges – Federal Carbon – Facility

Credit - Account No. 579
Miscellaneous Operating Revenue

To record, as a debit (credit) in Deferral Account No. 179-XXX, the variance between actual facility carbon costs and facility carbon costs recovered in rates as approved by the Board.

Debit - Account No. 179-XXX
Other Deferred Charges – Federal Carbon – Facility

Credit - Accounts No. 323
Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-XXX, interest on the balance in Deferral Account No. 179-XXX. Simple Interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

DRAFT

UNION RATE ZONES

**Accounting Entries for
Federal Carbon Charge – Customer Variance Account
Deferral Account No. 179-XXX**

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

Debit - Account No. 179-XXX
Other Deferred Charges – Federal Carbon – Customer

Credit - Account No. 579
Miscellaneous Operating Revenue

To record, as a debit (credit) in Deferral Account No. 179-XXX, the variance between actual customer carbon costs and customer carbon costs recovered in rates as approved by the Board.

Debit - Account No. 179-XXX
Other Deferred Charges – Federal Carbon – Customer

Credit - Accounts No. 323
Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-XXX, interest on the balance in Deferral Account No. 179-XXX. Simple Interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

1 **ENBRIDGE GAS 2019 FEDERAL CARBON PRICING PROGRAM APPLICATION:**

2 **COST RECOVERY**

3
4 The purpose of this exhibit of evidence is to support Enbridge Gas's request to incorporate the
5 impacts of the GGPPA and Enbridge Gas's Application into rates for the EGD rate zone and
6 Union rate zones, effective April 1, 2019. Specifically, Enbridge Gas requests approval to
7 introduce: a new Federal Carbon Charge and a new Facility Carbon Charge; to update the PDCI
8 credit for Union South customers and associated Union South in-franchise delivery rate changes;
9 and to modify applicable rate schedules. Enbridge Gas requests that the OEB approve the
10 proposed rates as interim by February 28, 2019, for inclusion in rates beginning April 1, 2019.
11 Enbridge Gas will file a draft rate order for final rates following the issuance of the OEB's
12 Decision and Order for this Application.

13
14 Under the GGPPA, Enbridge Gas is required to remit payment of the Federal Carbon Charge to
15 the government of Canada for volumes delivered to its customers and for Company Use
16 Volumes. Enbridge Gas is also required to remit payment for any excess emissions related to
17 OBPS Volumes. These costs will be recovered from customers through the Federal Carbon
18 Charge and Facility Carbon Charge unit rates respectively.

1 This exhibit of evidence is organized as follows:

2 1. Federal Carbon Charge

3 2. Facility Carbon Charge

4 2.1 Union South – Parkway Delivery Commitment Incentive Costs

5 3. Administration Costs

6 4. Rate Schedule Changes

7 5. Customer Bill Impacts

8

9 Supporting schedules and appendices:

10 • Tab 1: Cost Recovery - EGD Rate Zone

11 • Tab 2: Cost Recovery - Union Rate Zones

12

13 **1. FEDERAL CARBON CHARGE**

14 Beginning April 1, 2019, Enbridge Gas proposes to charge distribution customers the Federal
15 Carbon Charge of 3.9100 cents/m³, which is equivalent to \$20/tCO₂e, as determined by ECCC
16 and described at Exhibit A. OBPS-qualified customers with emissions exceeding 10 ktCO₂e
17 (assuming the registration of all voluntary participants), downstream distributors (including out-
18 of-province distributors), and customers that undertake a non-covered activity (e.g. facilities that
19 use natural gas as a process feedstock) will not be charged the Federal Carbon Charge. Further,
20 pending confirmation from the Department of Finance Canada, Enbridge Gas expects to charge
21 commercial greenhouse customers 20% of the Federal Carbon Charge, resulting in 80%

1 greenhouse relief. The Federal Carbon Charge will be a separate line item on customers' bills,
2 where applicable.

3 Enbridge Gas will track the difference between the Federal Carbon Charge amount collected
4 through rates and the actual costs incurred in the FCCCVA for each of the EGD and Union rate
5 zones as described in Exhibit D.

6
7 The Federal Carbon Charge customer-related forecast volumes and costs by rate class for the
8 April 1, 2019 to December 31, 2019 period is provided at Exhibit E, Tab 1, Schedule 1, p. 1 for
9 the EGD rate zone and at Exhibit E, Tab 2, Schedule 1, p. 1 for the Union rate zones.

10

11 **2. FACILITY CARBON CHARGE**

12 Enbridge Gas will incur costs of compliance with the GGPPA that are associated with its own
13 operations. Enbridge Gas's Facility Carbon Charge costs are expected to be incurred pursuant to
14 both Company Use Volumes (generated from distribution buildings, boilers/line heaters and
15 NGV fleet volumes) and OBPS Volumes (generated from compressor fuel). In order to recover
16 Facility Carbon Charge costs from customers beginning April 1, 2019, Enbridge Gas proposes to
17 introduce a common volumetric charge to recover the total regulated Facility Carbon Charge
18 costs for each of the EGD rate zone and Union rate zones. The estimated Facility Carbon Charge
19 costs for 2019 are \$0.323 million for the EGD rate zone and \$2.010 million for the Union rate
20 zones, as detailed at Exhibit B. Enbridge Gas is proposing to recover Facility Carbon Charge
21 costs from rate classes based on in-franchise delivery volumes and ex-franchise transportation
22 volumes. The Facility Carbon Charge for each rate zone is provided in Table 1. All customers in

1 each rate class will be responsible for the Facility Carbon Charge costs, regardless of whether the
 2 customer is exempt from the Federal Carbon Charge. Enbridge Gas proposes to add the Facility
 3 Carbon Charge to the current approved delivery or transportation charges on customers' bills.

4

Table 1
 Derivation of 2019 Facility Carbon Charges

Line No.	Particulars	Rate Zones	
		EGD (a)	Union (b)
1	Total Facility Carbon Cost (\$000's)	323 ⁽¹⁾	2,010 ⁽²⁾
2	2019 Forecast Volumes (10 ³ m ³)	9,039,128 ⁽³⁾	24,028,587 ⁽⁴⁾
3	Facility Carbon Charge (cents/ m ³) (line 1 / line 2 * 100)	0.0036	0.0084
4	Facility Carbon Charge (\$/GJ) (line 3 / Heat Value * 10) ⁽⁵⁾	0.001	0.002

Notes:

- (1) Exhibit B, Tab 1, Schedule 5.
- (2) Exhibit B, Tab 2, Schedule 5.
- (3) Forecast volumes per Exhibit E, Tab 1, Schedule 1.
- (4) Forecast volumes per Exhibit E, Tab 2, Schedule 1.
- (5) Conversion to GJs based on heat value adjustment of 38.42 GJ/10³m³ for the EGD Rate Zone
 Conversion to GJs based on heat value adjustment of 38.89 GJ/10³m³ for the Union Rate Zones.

5 Enbridge Gas will track the difference between the amount collected through rates and the actual
 6 costs incurred in the FCCFVA for each of the EGD rate zone and Union rate zones as described
 7 in Exhibit D.

8

1 The Facility Carbon Charge forecast volumes by component, costs and unit rate for 2019 is
2 provided at Exhibit E, Tab 1, Schedule 1, p. 2 for the EGD rate zone and at Exhibit E, Tab 2,
3 Schedule 1, p. 2 for the Union rate zones.

4

5 The combined Federal Carbon Charge and Facility Carbon Charge unit rate for the April 1, 2019
6 to December 31, 2019 period is summarized at Exhibit E, Tab 1, Schedule 1, p. 3 for the EGD
7 rate zone and at Exhibit E, Tab 2, Schedule 1, p. 3 for the Union rate zones.

8

9 2.1. UNION SOUTH - PARKWAY DELIVERY COMMITMENT INCENTIVE COSTS

10 Enbridge Gas's recovery of Facility Carbon Charge costs increases the payment of the Parkway
11 Delivery Commitment Incentive ("PDCI") in the Union South rate zone for any continued
12 obligated Daily Contract Quantity ("DCQ") at Parkway, as compared to the amount included in
13 current OEB approved rates. The PDCI credit is set at the M12 Dawn to Parkway rate at 100%
14 load factor, which increased by \$0.002/GJ as a result of the inclusion of the Facility Carbon
15 Charge in the M12 commodity rate. By recovering the Facility Carbon Charge costs in Rate
16 M12, the cost of the PDCI credit increases from \$12.664 million to \$12.833 million, for a total
17 increase of \$0.169 million.¹ The increase in the PDCI costs of \$0.169 million is recovered in
18 Union South in-franchise delivery rates. The derivation of the Union South in-franchise delivery
19 unit rate changes and the calculation of the PDCI costs are provided at Exhibit E, Tab 2,
20 Schedule 2.

¹ Increase relative to the costs included in Union's October 2018 QRAM Application (EB-2018-0253).

1 **3. ADMINISTRATION COSTS**

2 Enbridge Gas is not proposing to include the administration costs associated with the
3 implementation and administration of the GGPPA in 2019 rates. The administration costs
4 incurred in 2019 will be recorded in the requested GGEADA and disposed of as part of a future
5 proceeding, as described at Exhibit C and Exhibit D.

6

7 **4. RATE SCHEDULE CHANGES**

8 Enbridge Gas has updated its rate schedules to incorporate the impacts of the Application
9 including the addition of the Federal Carbon Charge and Facility Carbon Charge within each rate
10 schedule, if applicable. For presentation on customers' bills, Enbridge Gas will separately
11 identify the Federal Carbon Charge as a new line item and will embed the Facility Carbon
12 Charge in the delivery or transportation charges on customers' bills.

13

14 A summary of the Federal Carbon Charge and Facility Carbon Charge unit rates by rate class for
15 the April 1 to December 31, 2019 period for the EGD rate zone is provided at Exhibit E, Tab 1,
16 Schedule 1, p. 4 - 5. Exhibit E, Tab 1, Appendix A includes the EGD rate zone Rider J: Carbon
17 Charges for each rate class.

18

19 The proposed supplemental charges for the Union rate zones are provided at Exhibit E, Tab 2,
20 Schedule 3. The proposed rate changes and the summary of interruptible rate changes for the
21 Union rate zones are provided at Exhibit E, Tab 2, Appendix A and Appendix C respectively.

1 Blackline versions of the rate schedules for the Union rate zones are provided at Exhibit E, Tab
2 2, Appendix B.

3

4 **5. CUSTOMER BILL IMPACTS**

5 For the EGD rate zone, the bill impact for a typical residential customer with annual
6 consumption of 2,400 m³ is an increase of \$93.93 per year.² Exhibit E, Tab 1, Schedule 2
7 provides the customer bill impacts for the EGD rate zone.

8

9 For the Union rate zones, the bill impact for a typical residential customer with annual
10 consumption of 2,200 m³ is an increase of \$86.21 per year in Union South and \$86.18 per year in
11 Union North. Exhibit E, Tab 2, Schedule 4 provides detailed customer bill impacts for the Union
12 rate zones general service rate classes. Exhibit E, Tab 2, Schedule 5 provides bill impacts for all
13 the Union rate zones in-franchise rate classes.

² For 2019, approximately \$0.4M in Facility Carbon Charges on M12 and M16 Transportation service is anticipated to be recovered from EGD rate zone customers, which would add an additional \$0.10 per year to the bill increase for a typical residential customer in the EGD rate zone.

Exhibit E, Tab 1 – EGD Rate Zone

EGD RATE ZONE

2019 CUSTOMER-RELATED VOLUMES AND DERIVATION OF FEDERAL CARBON CHARGE UNIT RATE (APRIL TO DECEMBER)

		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Line	Rate	Forecast Volumes ¹	Less: Transportation Volumes	Customer-Related Forecast Volumes ²	OBPS Participant & Other Exempt Volumes ³	Net Volumes ⁴	Federal Carbon Charge ⁵	Federal Carbon Cost ⁶	Federal Carbon Charge Unit Rate ⁷
		(10 ³ m ³)	(10 ³ m ³)	(10 ³ m ³)	(10 ³ m ³)	(10 ³ m ³)	(\$/m ³)	(\$)	(¢/m ³)
1.1	1	2,579,521	0	2,579,521	37	2,579,484	0.0391	100,857,828	
1.2	6	2,620,721	0	2,620,721	80,508	2,540,212	0.0391	99,322,293	
1.3	9	0	0	0	0	0	0.0391	0	
1.4	100	0	0	0	0	0	0.0391	0	
1.5	110	594,765	0	594,765	264,299	330,467	0.0391	12,921,244	
1.6	115	334,901	0	334,901	244,374	90,527	0.0391	3,539,594	
1.7	125	197,375	0	197,375	197,375	0	0.0391	0	
1.8	135	64,215	0	64,215	0	64,215	0.0391	2,510,799	
1.9	145	28,267	0	28,267	3,404	24,863	0.0391	972,132	
1.10	170	236,246	0	236,246	87,773	148,474	0.0391	5,805,322	
1.11	200	99,183	0	99,183	99,183	0	0.0391	0	
1.12	300	0	0	0	0	0	0.0391	0	
1.13	332	2,283,935	2,283,935	0	0	0	0.0391	0	
1	Total	9,039,128	2,283,935	6,755,193	976,953	5,778,241		225,929,211	3.9100

Notes:

- (1) Exhibit B, Tab 1, Schedule 1, Col. 1 + Rate 332 forecast volumes
- (2) Col. 1 - Col. 2
- (3) Exhibit B, Tab 1, Schedule 1, Col. 2
- (4) Col. 3 - Col. 4
- (5) Exhibit B, Tab 1, Schedule 5, Line 2
- (6) Col. 5 x Col. 6 x 1000
- (7) (Col. 7 / (Col. 5 x 1000)) x 100

EGD RATE ZONE

2019 FACILITY-RELATED VOLUMES AND DERIVATION OF FACILITY CARBON CHARGE UNIT RATE

	Col. 1	Col. 2	Col. 3	Col. 4
Line	Forecast Volumes ¹ (10 ³ m ³)	Federal Carbon Charge ² (\$/m ³)	Facility Carbon Cost (\$)	Facility Carbon Charge Unit Rate (¢/m ³)
	Company Use			
2.1.1	Buildings	855		
2.1.2	Boilers/Line Heaters	2,023		
2.1.3	NGV Fleet	731		
2.1	Company Use	3,609	0.0391	141,116 ³
2.2	Compressor Fuel	15,559	-	181,920 ⁴
2	Total	19,168		323,036
				0.0036

Notes:

(1) Exhibit B, Tab 1, Schedule 2

The Company Use forecast volume is for April 1 to December 31, 2019 and the Compressor Fuel forecast volume is for January 1 to December 31, 2019

(2) Exhibit B, Tab 1, Schedule 5, Line 5

(3) Exhibit B, Tab 1, Schedule 5, Line 6

(4) Exhibit B, Tab 1, Schedule 5, Line 9

(5) Total Facility Carbon Cost / Total Forecast Volume = [Col. 3, Line 2 / (Exhibit E, Tab 1, Schedule 1, p. 1, Col. 1, Line 1 x 1000)] x 100

EGD RATE ZONE

2019 CARBON CHARGE UNIT RATE SUMMARY

Col. 1

Line	Unit Rate	
	(¢/m ³)	
1	Federal Carbon Charge	3.9100 1
2	Facility Carbon Charge	0.0036 2
3	Total	3.9136 3

- Notes:
- (1) Exhibit E, Tab 1, Schedule 1, p. 1, Col. 8, Line 1
 - (2) Exhibit E, Tab 1, Schedule 1, p .2, Col. 4, Line 2
 - (3) Line 1 + Line 2

EGD RATE ZONE

Updated: 2019-01-11

EB-2018-0187

EB-2018-0205

Exhibit E

Tab 1

Schedule 1

Page 4 of 5

2019 CARBON CHARGE UNIT RATE BY RATE CLASS

Rate Class		(¢/m ³)
Rate 1	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 6	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 9	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 100	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 110	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 115	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 125	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 135	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 145	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036

Rate Class		(¢/m ³)
Rate 170	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 200	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0036
Rate 300	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 300 Interruptible	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0036
Rate 315	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0036
Rate 316	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0036
Rate 320	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0000
Rate 325	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0036
Rate 330	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0036
Rate 331	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0036
Rate 332	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0036

EGD RATE ZONE

ANNUAL BILL COMPARISON - RESIDENTIAL CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Heating & Water Htg.				Heating, Water Htg. & Other Uses				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
1.1	VOLUME	m ³	3,064	3,064	0	0.0%	4,691	4,691	0	0.0%
1.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
1.3	DISTRIBUTION CHG.	\$	263.12	263.01	0.11	0.0%	396.66	396.49	0.17	0.0%
1.4	LOAD BALANCING	§ \$	178.92	178.92	0.00	0.0%	273.97	273.97	0.00	0.0%
1.5	SALES COMMDTY	\$	381.06	381.06	0.00	0.0%	583.39	583.39	0.00	0.0%
1.6	FEDERAL CARBON CHARGE	\$	119.80	0.00	119.80	100.0%	183.42	0.00	183.42	100.0%
1.7	TOTAL SALES	\$	1,182.90	1,062.99	119.91	11.3%	1,677.44	1,493.85	183.59	12.3%
1.8	TOTAL T-SERVICE	\$	801.84	681.93	119.91	17.6%	1,094.05	910.46	183.59	20.2%

		Heating Only				Heating & Water Htg.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
2.1	VOLUME	m ³	1,955	1,955	0	0.0%	2,005	2,005	0	0.0%
2.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
2.3	DISTRIBUTION CHG.	\$	168.77	168.70	0.07	0.0%	175.62	175.55	0.07	0.0%
2.4	LOAD BALANCING	§ \$	114.17	114.17	0.00	0.0%	117.11	117.11	0.00	0.0%
2.5	SALES COMMDTY	\$	243.13	243.13	0.00	0.0%	249.35	249.35	0.00	0.0%
2.6	FEDERAL CARBON CHARGE	\$	76.44	0.00	76.44	100.0%	78.40	0.00	78.40	100.0%
2.7	TOTAL SALES	\$	842.51	766.00	76.51	10.0%	860.48	782.01	78.47	10.0%
2.8	TOTAL T-SERVICE	\$	599.38	522.87	76.51	14.6%	611.13	532.66	78.47	14.7%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - RESIDENTIAL CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Heating, Pool Htg. & Other Uses				General & Water Htg.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
3.1	VOLUME	m ³	5,048	5,048	0	0.0%	1,081	1,081	0	0.0%
3.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
3.3	DISTRIBUTION CHG.	\$	426.59	426.41	0.18	0.0%	99.15	99.11	0.04	0.0%
3.4	LOAD BALANCING	§ \$	294.79	294.79	0.00	0.0%	63.12	63.12	0.00	0.0%
3.5	SALES COMMDTY	\$	627.79	627.79	0.00	0.0%	134.44	134.44	0.00	0.0%
3.6	FEDERAL CARBON CHARGE	\$	197.38	0.00	197.38	100.0%	42.27	0.00	42.27	100.0%
3.7	TOTAL SALES	\$	1,786.55	1,588.99	197.56	12.4%	578.98	536.67	42.31	7.9%
3.8	TOTAL T-SERVICE	\$	1,158.76	961.20	197.56	20.6%	444.54	402.23	42.31	10.5%

		Heating & Water Htg.				Heating & Water Htg.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
4.1	VOLUME	m ³	2,480	2,480	0	0.0%	2,400	2,400	0	0.0%
4.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
4.3	DISTRIBUTION CHG.	\$	214.86	214.77	0.09	0.0%	207.97	207.88	0.09	0.0%
4.4	LOAD BALANCING	§ \$	144.83	144.83	0.00	0.0%	140.15	140.15	0.00	0.0%
4.5	SALES COMMDTY	\$	308.42	308.42	0.00	0.0%	298.47	298.47	0.00	0.0%
4.6	FEDERAL CARBON CHARGE	\$	96.97	0.00	96.97	100.0%	93.84	0.00	93.84	100.0%
4.7	TOTAL SALES	\$	1,005.08	908.02	97.06	10.7%	980.43	886.50	93.93	10.6%
4.8	TOTAL T-SERVICE	\$	696.66	599.60	97.06	16.2%	681.96	588.03	93.93	16.0%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - COMMERCIAL & INDUSTRIAL CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
Commercial Heating & Other Uses										
Com. Htg., Air Cond'ng & Other Uses										
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
1.1	VOLUME	m ³	22,606	22,606	0	0.0%	29,278	29,278	0	0.0%
1.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
1.3	DISTRIBUTION CHG.	\$	1,546.02	1,545.21	0.81	0.1%	1,983.66	1,982.61	1.05	0.1%
1.4	LOAD BALANCING	§ \$	1,295.50	1,295.50	0.00	0.0%	1,677.86	1,677.86	0.00	0.0%
1.5	SALES COMMDTY	\$	2,816.18	2,816.18	0.00	0.0%	3,647.37	3,647.37	0.00	0.0%
1.6	FEDERAL CARBON CHARGE	\$	883.89	0.00	883.89	100.0%	1,144.77	0.00	1,144.77	100.0%
1.7	TOTAL SALES	\$	7,381.60	6,496.89	884.71	13.6%	9,293.66	8,147.84	1,145.82	14.1%
1.8	TOTAL T-SERVICE	\$	4,565.42	3,680.71	884.71	24.0%	5,646.29	4,500.47	1,145.82	25.5%
Medium Commercial Customer										
Large Commercial Customer										
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
2.1	VOLUME	m ³	169,563	169,563	0	0.0%	339,125	339,125	0	0.0%
2.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
2.3	DISTRIBUTION CHG.	\$	8,327.52	8,321.42	6.10	0.1%	15,248.17	15,235.96	12.21	0.1%
2.4	LOAD BALANCING	§ \$	9,717.31	9,717.31	0.00	0.0%	19,434.57	19,434.57	0.00	0.0%
2.5	SALES COMMDTY	\$	21,123.65	21,123.65	0.00	0.0%	42,247.19	42,247.19	0.00	0.0%
2.6	FEDERAL CARBON CHARGE	\$	6,629.91	0.00	6,629.91	100.0%	13,259.79	0.00	13,259.79	100.0%
2.7	TOTAL SALES	\$	46,638.40	40,002.38	6,636.02	16.6%	91,029.72	77,757.72	13,272.00	17.1%
2.8	TOTAL T-SERVICE	\$	25,514.75	18,878.73	6,636.02	35.2%	48,782.53	35,510.53	13,272.00	37.4%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - COMMERCIAL & INDUSTRIAL CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
Industrial General Use										
Industrial Heating & Other Uses										
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
3.1	VOLUME	m ³	43,285	43,285	0	0.0%	63,903	63,903	0	0.0%
3.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
3.3	DISTRIBUTION CHG.	\$	2,741.00	2,739.44	1.56	0.1%	3,676.44	3,674.14	2.30	0.1%
3.4	LOAD BALANCING	§ \$	2,480.58	2,480.58	0.00	0.0%	3,662.14	3,662.14	0.00	0.0%
3.5	SALES COMMDTY	\$	5,392.31	5,392.31	0.00	0.0%	7,960.86	7,960.86	0.00	0.0%
3.6	FEDERAL CARBON CHARGE	\$	1,692.44	0.00	1,692.44	100.0%	2,498.61	0.00	2,498.61	100.0%
3.7	TOTAL SALES	\$	13,146.33	11,452.33	1,694.00	14.8%	18,638.05	16,137.14	2,500.91	15.5%
3.8	TOTAL T-SERVICE	\$	7,754.02	6,060.02	1,694.00	28.0%	10,677.19	8,176.28	2,500.91	30.6%
Medium Industrial Customer										
Large Industrial Customer										
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
4.1	VOLUME	m ³	169,563	169,563	0	0.0%	339,124	339,124	0	0.0%
4.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
4.3	DISTRIBUTION CHG.	\$	8,527.63	8,521.53	6.10	0.1%	15,397.08	15,384.87	12.21	0.1%
4.4	LOAD BALANCING	§ \$	9,717.32	9,717.32	0.00	0.0%	19,434.51	19,434.51	0.00	0.0%
4.5	SALES COMMDTY	\$	21,123.67	21,123.67	0.00	0.0%	42,247.06	42,247.06	0.00	0.0%
4.6	FEDERAL CARBON CHARGE	\$	6,629.91	0.00	6,629.91	100.0%	13,259.75	0.00	13,259.75	100.0%
4.7	TOTAL SALES	\$	46,838.54	40,202.52	6,636.02	16.5%	91,178.40	77,906.44	13,271.96	17.0%
4.8	TOTAL T-SERVICE	\$	25,714.87	19,078.85	6,636.02	34.8%	48,931.34	35,659.38	13,271.96	37.2%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
Rate 100 - Small Commercial Firm										
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
1.1	VOLUME	m ³	339,188	339,188	0	0.0%	598,567	598,567	0	0.0%
1.2	CUSTOMER CHG.	\$	1,464.12	1,464.12	0.00	0.0%	1,464.12	1,464.12	0.00	0.0%
1.3	DISTRIBUTION CHG.	\$	13,552.02	13,539.81	12.21	0.1%	65,898.08	65,876.53	21.55	0.0%
1.4	LOAD BALANCING	\$	19,438.19	19,438.19	0.00	0.0%	34,302.68	34,302.68	0.00	0.0%
1.5	SALES COMMDTY	\$	42,255.01	42,255.01	0.00	0.0%	74,567.67	74,567.67	0.00	0.0%
1.6	FEDERAL CARBON CHARGE	\$	13,262.25	0.00	13,262.25	100.0%	23,403.97	0.00	23,403.97	100.0%
1.7	TOTAL SALES	\$	89,971.60	76,697.13	13,274.46	17.3%	199,636.52	176,211.00	23,425.52	13.3%
1.8	TOTAL T-SERVICE	\$	47,716.59	34,442.12	13,274.46	38.5%	125,068.85	101,643.33	23,425.52	23.0%
Rate 100 - Large Industrial Firm										
		(A)	(B)	CHANGE						
				(A) - (B)	%					
2.1	VOLUME	m ³	1,500,000	1,500,000	0	0.0%				
2.2	CUSTOMER CHG.	\$	1,464.12	1,464.12	0.00	0.0%				
2.3	DISTRIBUTION CHG.	\$	132,351.69	132,297.69	54.00	0.0%				
2.4	LOAD BALANCING	\$	85,962.00	85,962.00	0.00	0.0%				
2.5	SALES COMMDTY	\$	186,865.51	186,865.51	0.00	0.0%				
2.6	FEDERAL CARBON CHARGE	\$	58,650.00	0.00	58,650.00	100.0%				
2.7	TOTAL SALES	\$	465,293.32	406,589.32	58,704.00	14.4%				
2.8	TOTAL T-SERVICE	\$	278,427.81	219,723.81	58,704.00	26.7%				

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Rate 145 - Small Commercial Interr.				Rate 145 - Average Commercial Interr.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
3.1	VOLUME	m ³	339,188	339,188	0	0.0%	598,568	598,568	0	0.0%
3.2	CUSTOMER CHG.	\$	1,480.08	1,480.08	0.00	0.0%	1,480.08	1,480.08	0.00	0.0%
3.3	DISTRIBUTION CHG.	\$	10,566.51	10,554.30	12.21	0.1%	15,585.64	15,564.09	21.55	0.1%
3.4	LOAD BALANCING	\$	15,041.60	15,041.60	0.00	0.0%	26,544.42	26,544.42	0.00	0.0%
3.5	SALES COMMDTY	\$	42,076.95	42,076.95	0.00	0.0%	74,253.57	74,253.57	0.00	0.0%
3.6	FEDERAL CARBON CHARGE	\$	13,262.25	0.00	13,262.25	100.0%	23,404.01	0.00	23,404.01	100.0%
3.7	TOTAL SALES	\$	82,427.39	69,152.93	13,274.46	19.2%	141,267.71	117,842.16	23,425.56	19.9%
3.8	TOTAL T-SERVICE	\$	40,350.44	27,075.98	13,274.46	49.0%	67,014.14	43,588.59	23,425.56	53.7%

		Rate 145 - Small Industrial Interr.				Rate 145 - Average Industrial Interr.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
4.1	VOLUME	m ³	339,188	339,188	0	0.0%	598,567	598,567	0	0.0%
4.2	CUSTOMER CHG.	\$	1,480.08	1,480.08	0.00	0.0%	1,480.08	1,480.08	0.00	0.0%
4.3	DISTRIBUTION CHG.	\$	10,839.32	10,827.11	12.21	0.1%	15,827.12	15,805.57	21.55	0.1%
4.4	LOAD BALANCING	\$	15,041.60	15,041.60	0.00	0.0%	26,544.37	26,544.37	0.00	0.0%
4.5	SALES COMMDTY	\$	42,076.95	42,076.95	0.00	0.0%	74,253.43	74,253.43	0.00	0.0%
4.6	FEDERAL CARBON CHARGE	\$	13,262.25	0.00	13,262.25	100.0%	23,403.97	0.00	23,403.97	100.0%
4.7	TOTAL SALES	\$	82,700.20	69,425.74	13,274.46	19.1%	141,508.96	118,083.45	23,425.52	19.8%
4.8	TOTAL T-SERVICE	\$	40,623.25	27,348.79	13,274.46	48.5%	67,255.53	43,830.02	23,425.52	53.4%

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Rate 110 - Small Ind. Firm - 50% LF				Rate 110 - Average Ind. Firm - 50% LF				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
5.1	VOLUME	m ³	598,568	598,568	0	0.0%	9,976,121	9,976,121	0	0.0%
5.2	CUSTOMER CHG.	\$	7,048.44	7,048.44	0.00	0.0%	7,048.44	7,048.44	0.00	0.0%
5.3	DISTRIBUTION CHG.	\$	14,354.74	14,333.19	21.55	0.2%	235,470.32	235,111.18	359.14	0.2%
5.4	LOAD BALANCING	\$	27,689.15	27,689.15	0.00	0.0%	461,485.40	461,485.40	0.00	0.0%
5.5	SALES COMMDTY	\$	74,232.02	74,232.02	0.00	0.0%	1,237,198.62	1,237,198.62	0.00	0.0%
5.6	FEDERAL CARBON CHARGE	\$	23,404.01	0.00	23,404.01	100.0%	390,066.33	0.00	390,066.33	100.0%
5.7	TOTAL SALES	\$	146,728.36	123,302.80	23,425.56	19.0%	2,331,269.11	1,940,843.64	390,425.47	20.1%
5.8	TOTAL T-SERVICE	\$	72,496.34	49,070.78	23,425.56	47.7%	1,094,070.49	703,645.02	390,425.47	55.5%

Rate 110 - Average Ind. Firm - 75% LF

Rate 115 - Large Ind. Firm - 80% LF

		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
6.1	VOLUME	m ³	9,976,120	9,976,120	0	0.0%	69,832,850	69,832,850	0	0.0%
6.2	CUSTOMER CHG.	\$	7,048.44	7,048.44	0.00	0.0%	7,471.44	7,471.44	0.00	0.0%
6.3	DISTRIBUTION CHG.	\$	188,512.40	188,153.26	359.14	0.2%	964,187.20	961,673.22	2,513.98	0.3%
6.4	LOAD BALANCING	\$	461,485.32	461,485.32	0.00	0.0%	3,101,765.71	3,101,765.71	0.00	0.0%
6.5	SALES COMMDTY	\$	1,237,198.49	1,237,198.49	0.00	0.0%	8,660,390.73	8,660,390.73	0.00	0.0%
6.6	FEDERAL CARBON CHARGE	\$	390,066.29	0.00	390,066.29	100.0%	2,730,464.44	0.00	2,730,464.44	100.0%
6.7	TOTAL SALES	\$	2,284,310.94	1,893,885.51	390,425.43	20.6%	15,464,279.52	12,731,301.10	2,732,978.42	21.5%
6.8	TOTAL T-SERVICE	\$	1,047,112.45	656,687.02	390,425.43	59.5%	6,803,888.79	4,070,910.37	2,732,978.42	67.1%

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
INCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Rate 135 - Seasonal Firm				Rate 170 - Average Ind. Interr. - 50% LF				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
7.1	VOLUME	m ³	598,567	598,567	0	0.0%	9,976,121	9,976,121	0	0.0%
7.2	CUSTOMER CHG.	\$	1,380.96	1,380.96	0.00	0.0%	3,351.72	3,351.72	0.00	0.0%
7.3	DISTRIBUTION CHG.	\$	10,945.37	10,923.82	21.55	0.2%	83,346.66	82,987.52	359.14	0.4%
7.4	LOAD BALANCING	\$	20,908.15	20,908.15	0.00	0.0%	340,457.13	340,457.13	0.00	0.0%
7.5	SALES COMMDTY	\$	74,273.79	74,273.79	0.00	0.0%	1,237,198.62	1,237,198.62	0.00	0.0%
7.6	FEDERAL CARBON CHARGE	\$	23,403.97	0.00	23,403.97	100.0%	390,066.33	0.00	390,066.33	100.0%
7.7	TOTAL SALES	\$	130,912.24	107,486.72	23,425.52	21.8%	2,054,420.46	1,663,994.99	390,425.47	23.5%
7.8	TOTAL T-SERVICE	\$	56,638.45	33,212.93	23,425.52	70.5%	817,221.84	426,796.37	390,425.47	91.5%

Rate 170 - Average Ind. Interr. - 75% LF

Rate 170 - Large Ind. Interr. - 75% LF

		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
8.1	VOLUME	m ³	9,976,120	9,976,120	0	0.0%	69,832,850	69,832,850	0	0.0%
8.2	CUSTOMER CHG.	\$	3,351.72	3,351.72	0.00	0.0%	3,351.72	3,351.72	0.00	0.0%
8.3	DISTRIBUTION CHG.	\$	76,161.80	75,802.66	359.14	0.5%	417,564.47	415,050.49	2,513.98	0.6%
8.4	LOAD BALANCING	\$	340,457.09	340,457.09	0.00	0.0%	2,383,200.01	2,383,200.01	0.00	0.0%
8.5	SALES COMMDTY	\$	1,237,198.49	1,237,198.49	0.00	0.0%	8,660,390.73	8,660,390.73	0.00	0.0%
8.6	FEDERAL CARBON CHARGE	\$	390,066.29	0.00	390,066.29	100.0%	2,730,464.44	0.00	2,730,464.44	100.0%
8.7	TOTAL SALES	\$	2,047,235.40	1,656,809.96	390,425.43	23.6%	14,194,971.37	11,461,992.95	2,732,978.42	23.8%
8.8	TOTAL T-SERVICE	\$	810,036.91	419,611.47	390,425.43	93.0%	5,534,580.64	2,801,602.22	2,732,978.42	97.6%

EGD RATE ZONE

ANNUAL BILL COMPARISON - RESIDENTIAL CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Heating & Water Htg.				Heating, Water Htg. & Other Uses				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
1.1	VOLUME	m ³	3,064	3,064	0	0.0%	4,691	4,691	0	0.0%
1.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
1.3	DISTRIBUTION CHG.	\$	263.12	263.01	0.11	0.0%	396.66	396.49	0.17	0.0%
1.4	LOAD BALANCING	§ \$	178.92	178.92	0.00	0.0%	273.97	273.97	0.00	0.0%
1.5	SALES COMMDTY	\$	381.06	381.06	0.00	0.0%	583.39	583.39	0.00	0.0%
1.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
1.7	TOTAL SALES	\$	1,063.10	1,062.99	0.11	0.0%	1,494.02	1,493.85	0.17	0.0%
1.8	TOTAL T-SERVICE	\$	682.04	681.93	0.11	0.0%	910.63	910.46	0.17	0.0%

		Heating Only				Heating & Water Htg.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
2.1	VOLUME	m ³	1,955	1,955	0	0.0%	2,005	2,005	0	0.0%
2.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
2.3	DISTRIBUTION CHG.	\$	168.77	168.70	0.07	0.0%	175.62	175.55	0.07	0.0%
2.4	LOAD BALANCING	§ \$	114.17	114.17	0.00	0.0%	117.11	117.11	0.00	0.0%
2.5	SALES COMMDTY	\$	243.13	243.13	0.00	0.0%	249.35	249.35	0.00	0.0%
2.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
2.7	TOTAL SALES	\$	766.07	766.00	0.07	0.0%	782.08	782.01	0.07	0.0%
2.8	TOTAL T-SERVICE	\$	522.94	522.87	0.07	0.0%	532.73	532.66	0.07	0.0%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - RESIDENTIAL CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Heating, Pool Htg. & Other Uses				General & Water Htg.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
3.1	VOLUME	m ³	5,048	5,048	0	0.0%	1,081	1,081	0	0.0%
3.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
3.3	DISTRIBUTION CHG.	\$	426.59	426.41	0.18	0.0%	99.15	99.11	0.04	0.0%
3.4	LOAD BALANCING	§ \$	294.79	294.79	0.00	0.0%	63.12	63.12	0.00	0.0%
3.5	SALES COMMDTY	\$	627.79	627.79	0.00	0.0%	134.44	134.44	0.00	0.0%
3.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
3.7	TOTAL SALES	\$	1,589.17	1,588.99	0.18	0.0%	536.71	536.67	0.04	0.0%
3.8	TOTAL T-SERVICE	\$	961.38	961.20	0.18	0.0%	402.27	402.23	0.04	0.0%

		Heating & Water Htg.				Heating & Water Htg.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
4.1	VOLUME	m ³	2,480	2,480	0	0.0%	2,400	2,400	0	0.0%
4.2	CUSTOMER CHG.	\$	240.00	240.00	0.00	0.0%	240.00	240.00	0.00	0.0%
4.3	DISTRIBUTION CHG.	\$	214.86	214.77	0.09	0.0%	207.97	207.88	0.09	0.0%
4.4	LOAD BALANCING	§ \$	144.83	144.83	0.00	0.0%	140.15	140.15	0.00	0.0%
4.5	SALES COMMDTY	\$	308.42	308.42	0.00	0.0%	298.47	298.47	0.00	0.0%
4.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4.7	TOTAL SALES	\$	908.11	908.02	0.09	0.0%	886.59	886.50	0.09	0.0%
4.8	TOTAL T-SERVICE	\$	599.69	599.60	0.09	0.0%	588.12	588.03	0.09	0.0%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - COMMERCIAL & INDUSTRIAL CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Commercial Heating & Other Uses				Com. Htg., Air Cond'ng & Other Uses				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
1.1	VOLUME	m ³	22,606	22,606	0	0.0%	29,278	29,278	0	0.0%
1.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
1.3	DISTRIBUTION CHG.	\$	1,546.02	1,545.21	0.81	0.1%	1,983.66	1,982.61	1.05	0.1%
1.4	LOAD BALANCING	§ \$	1,295.50	1,295.50	0.00	0.0%	1,677.86	1,677.86	0.00	0.0%
1.5	SALES COMMDTY	\$	2,816.18	2,816.18	0.00	0.0%	3,647.37	3,647.37	0.00	0.0%
1.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
1.7	TOTAL SALES	\$	6,497.70	6,496.89	0.81	0.0%	8,148.89	8,147.84	1.05	0.0%
1.8	TOTAL T-SERVICE	\$	3,681.52	3,680.71	0.81	0.0%	4,501.52	4,500.47	1.05	0.0%

Medium Commercial Customer

Large Commercial Customer

		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
2.1	VOLUME	m ³	169,563	169,563	0	0.0%	339,125	339,125	0	0.0%
2.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
2.3	DISTRIBUTION CHG.	\$	8,327.52	8,321.42	6.10	0.1%	15,248.17	15,235.96	12.21	0.1%
2.4	LOAD BALANCING	§ \$	9,717.31	9,717.31	0.00	0.0%	19,434.57	19,434.57	0.00	0.0%
2.5	SALES COMMDTY	\$	21,123.65	21,123.65	0.00	0.0%	42,247.19	42,247.19	0.00	0.0%
2.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
2.7	TOTAL SALES	\$	40,008.48	40,002.38	6.10	0.0%	77,769.93	77,757.72	12.21	0.0%
2.8	TOTAL T-SERVICE	\$	18,884.83	18,878.73	6.10	0.0%	35,522.74	35,510.53	12.21	0.0%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - COMMERCIAL & INDUSTRIAL CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
Industrial General Use										
Industrial Heating & Other Uses										
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
3.1	VOLUME	m ³	43,285	43,285	0	0.0%	63,903	63,903	0	0.0%
3.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
3.3	DISTRIBUTION CHG.	\$	2,741.00	2,739.44	1.56	0.1%	3,676.44	3,674.14	2.30	0.1%
3.4	LOAD BALANCING	§ \$	2,480.58	2,480.58	0.00	0.0%	3,662.14	3,662.14	0.00	0.0%
3.5	SALES COMMDTY	\$	5,392.31	5,392.31	0.00	0.0%	7,960.86	7,960.86	0.00	0.0%
3.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
3.7	TOTAL SALES	\$	11,453.89	11,452.33	1.56	0.0%	16,139.44	16,137.14	2.30	0.0%
3.8	TOTAL T-SERVICE	\$	6,061.58	6,060.02	1.56	0.0%	8,178.58	8,176.28	2.30	0.0%
Medium Industrial Customer										
Large Industrial Customer										
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
4.1	VOLUME	m ³	169,563	169,563	0	0.0%	339,124	339,124	0	0.0%
4.2	CUSTOMER CHG.	\$	840.00	840.00	0.00	0.0%	840.00	840.00	0.00	0.0%
4.3	DISTRIBUTION CHG.	\$	8,527.63	8,521.53	6.10	0.1%	15,397.08	15,384.87	12.21	0.1%
4.4	LOAD BALANCING	§ \$	9,717.32	9,717.32	0.00	0.0%	19,434.51	19,434.51	0.00	0.0%
4.5	SALES COMMDTY	\$	21,123.67	21,123.67	0.00	0.0%	42,247.06	42,247.06	0.00	0.0%
4.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4.7	TOTAL SALES	\$	40,208.62	40,202.52	6.10	0.0%	77,918.65	77,906.44	12.21	0.0%
4.8	TOTAL T-SERVICE	\$	19,084.95	19,078.85	6.10	0.0%	35,671.59	35,659.38	12.21	0.0%

§ The Load Balancing Charge shown here includes proposed transportation charges

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
Rate 100 - Small Commercial Firm					Rate 100 - Average Commercial Firm					
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
1.1	VOLUME	m ³	339,188	339,188	0	0.0%	598,567	598,567	0	0.0%
1.2	CUSTOMER CHG.	\$	1,464.12	1,464.12	0.00	0.0%	1,464.12	1,464.12	0.00	0.0%
1.3	DISTRIBUTION CHG.	\$	13,552.02	13,539.81	12.21	0.1%	65,898.08	65,876.53	21.55	0.0%
1.4	LOAD BALANCING	\$	19,438.19	19,438.19	0.00	0.0%	34,302.68	34,302.68	0.00	0.0%
1.5	SALES COMMDTY	\$	42,255.01	42,255.01	0.00	0.0%	74,567.67	74,567.67	0.00	0.0%
1.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
1.7	TOTAL SALES	\$	76,709.34	76,697.13	12.21	0.0%	176,232.55	176,211.00	21.55	0.0%
1.8	TOTAL T-SERVICE	\$	34,454.33	34,442.12	12.21	0.0%	101,664.88	101,643.33	21.55	0.0%

Rate 100 - Large Industrial Firm

		(A)	(B)	CHANGE		
				(A) - (B)	%	
2.1	VOLUME	m ³	1,500,000	1,500,000	0	0.0%
2.2	CUSTOMER CHG.	\$	1,464.12	1,464.12	0.00	0.0%
2.3	DISTRIBUTION CHG.	\$	132,351.69	132,297.69	54.00	0.0%
2.4	LOAD BALANCING	\$	85,962.00	85,962.00	0.00	0.0%
2.5	SALES COMMDTY	\$	186,865.51	186,865.51	0.00	0.0%
2.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%
2.7	TOTAL SALES	\$	406,643.32	406,589.32	54.00	0.0%
2.8	TOTAL T-SERVICE	\$	219,777.81	219,723.81	54.00	0.0%

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Rate 145 - Small Commercial Interr.				Rate 145 - Average Commercial Interr.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
3.1	VOLUME	m ³	339,188	339,188	0	0.0%	598,568	598,568	0	0.0%
3.2	CUSTOMER CHG.	\$	1,480.08	1,480.08	0.00	0.0%	1,480.08	1,480.08	0.00	0.0%
3.3	DISTRIBUTION CHG.	\$	10,566.51	10,554.30	12.21	0.1%	15,585.64	15,564.09	21.55	0.1%
3.4	LOAD BALANCING	\$	15,041.60	15,041.60	0.00	0.0%	26,544.42	26,544.42	0.00	0.0%
3.5	SALES COMMDTY	\$	42,076.95	42,076.95	0.00	0.0%	74,253.57	74,253.57	0.00	0.0%
3.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
3.7	TOTAL SALES	\$	69,165.14	69,152.93	12.21	0.0%	117,863.70	117,842.16	21.55	0.0%
3.8	TOTAL T-SERVICE	\$	27,088.19	27,075.98	12.21	0.0%	43,610.13	43,588.59	21.55	0.0%

		Rate 145 - Small Industrial Interr.				Rate 145 - Average Industrial Interr.				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
4.1	VOLUME	m ³	339,188	339,188	0	0.0%	598,567	598,567	0	0.0%
4.2	CUSTOMER CHG.	\$	1,480.08	1,480.08	0.00	0.0%	1,480.08	1,480.08	0.00	0.0%
4.3	DISTRIBUTION CHG.	\$	10,839.32	10,827.11	12.21	0.1%	15,827.12	15,805.57	21.55	0.1%
4.4	LOAD BALANCING	\$	15,041.60	15,041.60	0.00	0.0%	26,544.37	26,544.37	0.00	0.0%
4.5	SALES COMMDTY	\$	42,076.95	42,076.95	0.00	0.0%	74,253.43	74,253.43	0.00	0.0%
4.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4.7	TOTAL SALES	\$	69,437.95	69,425.74	12.21	0.0%	118,104.99	118,083.45	21.55	0.0%
4.8	TOTAL T-SERVICE	\$	27,361.00	27,348.79	12.21	0.0%	43,851.56	43,830.02	21.55	0.0%

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
		Rate 110 - Small Ind. Firm - 50% LF				Rate 110 - Average Ind. Firm - 50% LF				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
5.1	VOLUME	m ³	598,568	598,568	0	0.0%	9,976,121	9,976,121	0	0.0%
5.2	CUSTOMER CHG.	\$	7,048.44	7,048.44	0.00	0.0%	7,048.44	7,048.44	0.00	0.0%
5.3	DISTRIBUTION CHG.	\$	14,354.74	14,333.19	21.55	0.2%	235,470.32	235,111.18	359.14	0.2%
5.4	LOAD BALANCING	\$	27,689.15	27,689.15	0.00	0.0%	461,485.40	461,485.40	0.00	0.0%
5.5	SALES COMMDTY	\$	74,232.02	74,232.02	0.00	0.0%	1,237,198.62	1,237,198.62	0.00	0.0%
5.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5.7	TOTAL SALES	\$	123,324.35	123,302.80	21.55	0.0%	1,941,202.78	1,940,843.64	359.14	0.0%
5.8	TOTAL T-SERVICE	\$	49,092.33	49,070.78	21.55	0.0%	704,004.16	703,645.02	359.14	0.1%

		Rate 110 - Average Ind. Firm - 75% LF				Rate 115 - Large Ind. Firm - 80% LF				
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
6.1	VOLUME	m ³	9,976,120	9,976,120	0	0.0%	69,832,850	69,832,850	0	0.0%
6.2	CUSTOMER CHG.	\$	7,048.44	7,048.44	0.00	0.0%	7,471.44	7,471.44	0.00	0.0%
6.3	DISTRIBUTION CHG.	\$	188,512.40	188,153.26	359.14	0.2%	964,187.20	961,673.22	2,513.98	0.3%
6.4	LOAD BALANCING	\$	461,485.32	461,485.32	0.00	0.0%	3,101,765.71	3,101,765.71	0.00	0.0%
6.5	SALES COMMDTY	\$	1,237,198.49	1,237,198.49	0.00	0.0%	8,660,390.73	8,660,390.73	0.00	0.0%
6.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
6.7	TOTAL SALES	\$	1,894,244.65	1,893,885.51	359.14	0.0%	12,733,815.08	12,731,301.10	2,513.98	0.0%
6.8	TOTAL T-SERVICE	\$	657,046.16	656,687.02	359.14	0.1%	4,073,424.35	4,070,910.37	2,513.98	0.1%

EGD RATE ZONE

ANNUAL BILL COMPARISON - LARGE VOLUME CUSTOMERS
EXCLUDING FEDERAL CARBON CHARGE

(A) Proposed EB-2018-0187/EB-2018-0205 vs (B) EB-2018-0313

Item No.		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	
Rate 135 - Seasonal Firm					Rate 170 - Average Ind. Interr. - 50% LF					
		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
7.1	VOLUME	m ³	598,567	598,567	0	0.0%	9,976,121	9,976,121	0	0.0%
7.2	CUSTOMER CHG.	\$	1,380.96	1,380.96	0.00	0.0%	3,351.72	3,351.72	0.00	0.0%
7.3	DISTRIBUTION CHG.	\$	10,945.37	10,923.82	21.55	0.2%	83,346.66	82,987.52	359.14	0.4%
7.4	LOAD BALANCING	\$	20,908.15	20,908.15	0.00	0.0%	340,457.13	340,457.13	0.00	0.0%
7.5	SALES COMMDTY	\$	74,273.79	74,273.79	0.00	0.0%	1,237,198.62	1,237,198.62	0.00	0.0%
7.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
7.7	TOTAL SALES	\$	107,508.27	107,486.72	21.55	0.0%	1,664,354.13	1,663,994.99	359.14	0.0%
7.8	TOTAL T-SERVICE	\$	33,234.48	33,212.93	21.55	0.1%	427,155.51	426,796.37	359.14	0.1%

Rate 170 - Average Ind. Interr. - 75% LF

Rate 170 - Large Ind. Interr. - 75% LF

		(A)	(B)	CHANGE		(A)	(B)	CHANGE		
				(A) - (B)	%			(A) - (B)	%	
8.1	VOLUME	m ³	9,976,120	9,976,120	0	0.0%	69,832,850	69,832,850	0	0.0%
8.2	CUSTOMER CHG.	\$	3,351.72	3,351.72	0.00	0.0%	3,351.72	3,351.72	0.00	0.0%
8.3	DISTRIBUTION CHG.	\$	76,161.80	75,802.66	359.14	0.5%	417,564.47	415,050.49	2,513.98	0.6%
8.4	LOAD BALANCING	\$	340,457.09	340,457.09	0.00	0.0%	2,383,200.01	2,383,200.01	0.00	0.0%
8.5	SALES COMMDTY	\$	1,237,198.49	1,237,198.49	0.00	0.0%	8,660,390.73	8,660,390.73	0.00	0.0%
8.6	FEDERAL CARBON CHARGE	\$	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
8.7	TOTAL SALES	\$	1,657,169.10	1,656,809.96	359.14	0.0%	11,464,506.94	11,461,992.95	2,513.98	0.0%
8.8	TOTAL T-SERVICE	\$	419,970.61	419,611.47	359.14	0.1%	2,804,116.21	2,801,602.22	2,513.98	0.1%

RIDER:	J	CARBON CHARGES
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The following charges are applicable to all gas sold or delivered during the period April 1, 2019 to December 31, 2019.

Rate Class	Federal Carbon Charge (If Applicable) (¢/m ³)	Facility Carbon Charge (¢/m ³)
Rate 1	3.9100	0.0036
Rate 6	3.9100	0.0036
Rate 9	3.9100	0.0036
Rate 100	3.9100	0.0036
Rate 110	3.9100	0.0036
Rate 115	3.9100	0.0036
Rate 125	3.9100	0.0036
Rate 135	3.9100	0.0036
Rate 145	3.9100	0.0036
Rate 170	3.9100	0.0036
Rate 200	0.0000	0.0036
Rate 300	3.9100	0.0036
Rate 300 (Interruptible)	3.9100	0.0036
Rate 315	0.0000	0.0036
Rate 316	0.0000	0.0036
Rate 320	0.0000	0.0000
Rate 325	0.0000	0.0036
Rate 330	0.0000	0.0036
Rate 331	0.0000	0.0036
Rate 332	0.0000	0.0036

EFFECTIVE DATE: April 1, 2019	IMPLEMENTATION DATE: April 1, 2019	BOARD ORDER:	REPLACING RATE EFFECTIVE:	Page 1 of 1
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Exhibit E, Tab 2 – Union Rate Zones

UNION RATE ZONES
 2019 Customer-Related Volumes and Derivation of Federal Carbon Charge Unit Rate (April to December)

Line No	Rate Class	Forecast Volumes (10 ³ m ³) (1) (a)	Less: Transportation Volumes (10 ³ m ³) (b)	Customer-Related Forecast Volumes (10 ³ m ³) (2) (c) = (a - b)	OBPS Participant & Other Exempt Volumes (10 ³ m ³) (3) (d)	Net Volumes (10 ³ m ³) (e) = (c - d)	Federal Carbon Charge (\$/m ³) (4) (f)	Federal Carbon Cost (\$) (g) = (e * f * 1000)	Federal Carbon Charge Unit Rate (¢/m ³) (h) = (g/(e*1000))*100
Union South In-Franchise Delivery									
1	Rate M1	1,597,822	-	1,597,822	1,742	1,596,080	0.0391	62,406,716	
2	Rate M2	709,068	-	709,068	64,258	644,809	0.0391	25,212,051	
3	Rate M4	451,407	-	451,407	243,141	208,266	0.0391	8,143,201	
4	Rate M5	50,113	-	50,113	18,309	31,804	0.0391	1,243,534	
5	Rate M7	326,807	-	326,807	267,151	59,656	0.0391	2,332,533	
6	Rate M9	56,760	-	56,760	56,760	-	0.0391	-	
7	Rate M10	583	-	583	583	-	0.0391	-	
8	Rate T1	353,146	-	353,146	298,884	54,262	0.0391	2,121,645	
9	Rate T2	2,796,667	-	2,796,667	2,767,981	28,686	0.0391	1,121,619	
10	Rate T3	156,151	-	156,151	156,151	-	0.0391	-	
11	Total Union South In-Franchise	6,498,525	-	6,498,525	3,874,962	2,623,563		102,581,298	
Union North In-Franchise Delivery									
12	Rate 01	507,546	-	507,546	127	507,419	0.0391	19,840,071	
13	Rate 10	203,972	-	203,972	17,762	186,210	0.0391	7,280,795	
14	Rate 20	434,715	-	434,715	386,593	48,122	0.0391	1,881,562	
15	Rate 25	44,540	-	44,540	5,300	39,240	0.0391	1,534,282	
16	Rate 100	519,366	-	519,366	519,366	-	0.0391	-	
17	Total Union North In-Franchise	1,710,138	-	1,710,138	929,148	780,990		30,536,710	
18	Total In-Franchise	8,208,663	-	8,208,663	4,804,111	3,404,553		133,118,008	
Ex-Franchise									
19	Rate M12 - Firm Transportation	10,530,286	10,530,286	-	-	-	0.0391	-	
20	Rate M13	66,006	66,006	-	-	-	0.0391	-	
21	Rate M16	202,113	202,113	-	-	-	0.0391	-	
22	Rate C1 - Firm Transportation	5,021,520	5,021,520	-	-	-	0.0391	-	
23	Total Ex-Franchise	15,819,923	15,819,923	-	-	-		-	
24	Total In-Franchise & Ex-Franchise	24,028,587	15,819,923	8,208,663	4,804,111	3,404,553		133,118,008	3.9100

Notes:

- (1) Exhibit B, Tab 2, Schedule 1, Col. 1 + ex-franchise forecast volumes.
- (2) Exhibit B, Tab 2, Schedule 1, Col. 1.
- (3) Exhibit B, Tab 2, Schedule 1, Col. 2.
- (4) Exhibit B, Tab 2, Schedule 5, Line 2.

UNION RATE ZONES
2019 Facility-Related Volumes and Derivation of Facility Carbon Charge Unit Rate

Line No.	Particulars	Forecast Volumes (10 ³ m ³) (1)	Federal Carbon Charge (\$/m ³) (2)	Facility Carbon Cost (\$)	Facility Carbon Charge Unit Rate (¢/m ³)
		(a)	(b)	(c)	(d)
	Company Use				
1	Buildings	801			
2	Boilers/Line Heaters	3,768			
3	NGV Fleet	-			
4	Company Use	4,569	0.0391	178,664 (3)	
5	Compressor Fuel	144,119	-	1,830,945 (4)	
6	Total	<u>148,689</u>		<u>2,009,609</u>	<u>0.0084 (5)</u>

Notes:

- (1) Exhibit B, Tab 2, Schedule 2, Col 1.
The Company Use volume is for April 1 to December 31, 2019 and the Compressor Fuel volume is for January 1 to December 31, 2019.
- (2) Exhibit B, Tab 2, Schedule 5, Line 2.
- (3) Exhibit B, Tab 2, Schedule 5, Line 6.
- (4) Exhibit B, Tab 2, Schedule 5, Line 11.
- (5) Total Facility Carbon Cost / Total Forecast Volumes = [column (c) / (Exhibit E, Tab 2, Schedule 1, p. 1, line 24, column (a) x 1000)] x 100.

UNION RATE ZONES
2019 Carbon Charge Unit Rate Summary

Line No.	<u>Particulars (¢/m³)</u>	<u>Unit Rate</u> (a)
1	Federal Carbon Charge	3.9100 (1)
2	Facility Carbon Charge	0.0084 (2)
3	Total (line 1 + line 2)	<u><u>3.9184</u></u>

Notes:

- (1) Exhibit E, Tab 2, Schedule 1, p. 1, line 24, column (h).
- (2) Exhibit E, Tab 2, Schedule 1, p. 2, line 6, column (d).

UNION RATE ZONES
 Calculation of Union South In-franchise Unit Rate Change
Parkway Delivery Commitment Incentive (PDCI) Costs Updated to Include Facility Carbon Charge
Effective April 1, 2019

Line No.	Particulars	Billing Units	2019 PDCI Cost Change (\$000's) (1) (a)	EB-2017-0087 Approved Forecast Usage (2) (b)	Unit Rate Change (cents / m ³) (c)=(a / b*100)
<u>Rate M1</u>					
Monthly Delivery Commodity Charge					
1	First 100 m ³	10 ³ m ³	20	845,823	0.0023
2	Next 150 m ³	10 ³ m ³	17	751,066	0.0022
3	All over 250 m ³	10 ³ m ³	23	1,211,407	0.0019
4	Total Rate M1		<u>60</u>	<u>2,808,296</u>	<u>0.0021</u>
<u>Rate M2</u>					
Monthly Delivery Commodity Charge					
5	First 1,000 m ³	10 ³ m ³	1	58,711	0.0021
6	Next 6,000 m ³	10 ³ m ³	6	285,720	0.0021
7	Next 13,000 m ³	10 ³ m ³	6	322,850	0.0020
8	All over 20,000 m ³	10 ³ m ³	8	412,456	0.0018
9	Total Rate M2		<u>21</u>	<u>1,079,737</u>	<u>0.0020</u>
<u>Rate M4</u>					
Monthly Demand Charge					
10	First 8,450 m ³	10 ³ m ³ /d	4	12,905	0.0320
11	Next 19,700 m ³	10 ³ m ³ /d	1	7,864	0.0143
12	All over 28,150 m ³	10 ³ m ³ /d	1	4,507	0.0120
Monthly Delivery Commodity Charge					
13	First Block	10 ³ m ³	4	332,070	0.0012
14	All remaining use	10 ³ m ³	0	7,146	0.0005
15	Total Rate M4		<u>10</u>	<u>339,216</u>	<u>0.0029</u>
<u>Rate M5A</u>					
Firm contracts					
16	Monthly Delivery Commodity Charge	10 ³ m ³	0	14,622	0.0016
17	Total Delivery - Firm M5A		<u>0</u>	<u>14,622</u>	<u>0.0016</u>
Interruptible contracts					
18	Delivery Commodity Charge (Avg Price)	10 ³ m ³	7	435,466	0.0015
19	Total Delivery -Interruptible M5A		<u>7</u>	<u>435,466</u>	<u>0.0015</u>
20	Total Rate M5A		<u>7</u>	<u>450,088</u>	<u>0.0015</u>
<u>Rate M7</u>					
Firm Contracts					
21	Monthly Delivery Commodity Charge	10 ³ m ³	4	115,469	0.0034
22	Total Delivery - Firm M7		<u>4</u>	<u>115,469</u>	<u>0.0034</u>
Interruptible / Seasonal Contracts					
23	Monthly Delivery Commodity Charge	10 ³ m ³	-	3,773	-
24	Total Rate M7		<u>4</u>	<u>119,242</u>	<u>0.0033</u>
<u>Rate M9</u>					
25	Monthly Delivery Commodity Charge	10 ³ m ³	2	60,750	0.0033
26	Total Rate M9		<u>2</u>	<u>60,750</u>	<u>0.0033</u>
<u>Rate M10</u>					
27	Monthly Delivery Commodity Charge	10 ³ m ³	0	189	0.0033
28	Total Rate M10		<u>0</u>	<u>189</u>	<u>0.0033</u>

Notes:

- (1) Exhibit E, Tab, 2, Schedule 2, p. 3, column (i).
 (2) EB-2017-0087, Rate Order, Working Papers, Schedule 4, column (r).

UNION RATE ZONES
 Calculation of Union South In-franchise Unit Rate Change
Parkway Delivery Commitment Incentive (PDCI) Costs Updated to Include Facility Carbon Charge
Effective April 1, 2019

Line No.	Particulars	Billing Units	2019 PDCI Cost Change (\$000's) (1) (a)	EB-2017-0087 Approved Forecast Usage (2) (b)	Unit Rate Change (cents / m ³) (c)=(a / b*100)
<u>Rate T1</u>					
Transportation					
1	All Volumes	10 ³ m ³	9	448,854	0.0019
2	Interruptible	10 ³ m ³	1	58,485	0.0016
3	Total Rate T1		<u>10</u>	<u>507,339</u>	<u>0.0018</u>
<u>Rate T2</u>					
Transportation					
4	All Volumes	10 ³ m ³	45	4,231,421	0.0011
5	Interruptible	10 ³ m ³	1	335,463	0.0003
6	Total Rate T2		<u>46</u>	<u>4,566,884</u>	<u>0.0010</u>
<u>Rate T3</u>					
Transportation					
7	Commodity	10 ³ m ³	9	272,712	0.0032
8	Total Rate T3		<u>9</u>	<u>272,712</u>	<u>0.0032</u>
9	Total PDCI Cost Change		<u>169</u>		

Notes:

- (1) Exhibit E, Tab, 2, Schedule 2, p. 3, column (i).
 (2) EB-2017-0087, Rate Order, Working Papers, Schedule 4, column (r).

UNION RATE ZONES
 2019 Rate Adjustment Summary based on
Changes to the Parkway Delivery Commitment Incentive (PDCI) Costs to Include Facility Carbon Charge.

Line No.	Particulars (\$000's)	PDCI Costs per EB-2018-0253 (1)			Updated PDCI Costs			Difference		
		Dawn-Parkway Demand Costs	Commodity Costs	Total PDCI Costs	Dawn-Parkway Demand Costs (2)	Commodity Costs (3)	Total PDCI Costs	Dawn-Parkway Demand Costs	Commodity Costs	Total Costs
		(a)	(b)	(c) = (a + b)	(d)	(e)	(f) = (d + e)	(g) = (d - a)	(h) = (e - b)	(i) = (g + h)
1	Rate M1	5,226	840	6,065	5,226	899	6,125	-	60	60
2	Rate M2	1,756	297	2,053	1,756	318	2,074	-	21	21
3	Rate M4	511	135	646	511	145	656	-	10	10
4	Rate M5 - Firm	5	3	8	5	4	9	-	0	0
5	Rate M5 - Interruptible	-	94	94	-	101	101	-	7	7
6	Rate M7 - Firm	235	54	290	235	58	294	-	4	4
7	Rate M7 - Interruptible	-	-	-	-	-	-	-	-	-
8	Rate M9	84	28	112	84	30	114	-	2	2
9	Rate M10	3	0	3	3	0	3	-	0	0
10	Rate T1 - Firm	252	123	376	252	132	384	-	9	9
11	Rate T1 - Interruptible	-	13	13	-	14	14	-	1	1
12	Rate T2 - Firm	1,636	635	2,272	1,636	681	2,317	-	45	45
13	Rate T2 - Interruptible	-	15	15	-	16	16	-	1	1
14	Rate T3	593	126	718	593	134	727	-	9	9
15	Total Costs	10,300	2,364	12,664	10,300	2,533	12,833	-	169	169

Notes:

- (1) EB-2018-0253, Rate Order, Working Papers, Schedule 3, p.1, columns (d), (e), and (f).
- (2) Exhibit E, Tab 2, Schedule 2, p.4, column (b) + Exhibit E, Tab 2, Schedule 2, p.5, column (b).
- (3) Exhibit E, Tab 2, Schedule 2, p.4, column (d) + Exhibit E, Tab 2, Schedule 2, p.5, column (d).

UNION RATE ZONES
Derivation of the 2019 Sales Service PDCI Costs, Updated to Include Facility Carbon Charge.

Line No.	Particulars	Demand Costs		Commodity Costs		Total Sales Service PDCI Costs (\$000's) (e) = (b + d)
		2013 Approved Dawn-Parkway Design Day Demands (1) (10 ³ m ³ /d) (a)	11 TJ Sales Service Demand Costs (2) (\$000's) (b)	2013 Approved Delivery Volumes East of Dawn (4) (10 ³ m ³) (c)	11 TJ Sales Service Fuel and UFG Costs (5) (\$000's) (d)	
1	Rate M1	22,132	249	1,823,853	43	291
2	Rate M2	7,435	83	645,259	15	99
3	Rate M4	2,162	24	294,126	7	31
4	Rate M5 Firm	20	0	7,501	0	0
5	Rate M5 Interruptible	-	-	203,891	5	5
6	Rate M7 Firm	997	11	118,324	3	14
7	Rate M7 Interruptible	-	-	-	-	-
8	Rate M9	356	4	60,750	1	5
9	Rate M10	11	0	189	0	0
10	Rate T1 Firm	1,068	12	267,950	6	18
11	Rate T1 Interruptible	-	-	28,552	1	1
12	Rate T2 Firm	6,931	78	1,380,265	32	110
13	Rate T2 Interruptible	-	-	32,431	1	1
14	Rate T3	2,511	28	272,712	6	35
15	Total	<u>43,624</u>	<u>490</u> (3)	<u>5,135,803</u>	<u>120</u> (6)	<u>610</u>

Notes:

- (1) Union South In-franchise Dawn-Parkway Design Day Demand allocation factor per EB-2011-0210, Exhibit G3, Tab 5, Schedule 23, p. 7, line 2, Updated for Board Decision.
- (2) Allocated in proportion to column (a). Parkway Delivery Obligation of 11 TJ/d as per EB-2017-0087, Rate Order, Working Papers, Schedule 20, p. 5, column (b).
- (3) Calculated as 11 TJ x \$0.122/GJ/d x 365 = \$0.490 million. Rate represents the M12 Dawn-Parkway demand rate per EB-2017-0087.
- (4) Union South in-franchise volumes east of Dawn per EB-2011-0210, Exhibit G3, Tab 5, Schedule 21, pp. 13 & 14, Updated for Board Decision.
- (5) Allocated in proportion to column (c).
- (6) Calculated as 11 TJ x \$0.030/GJ/d x 365 = \$0.120 million. Rate represents the average Dawn-Parkway (TCPL / EGT) fuel ratio per EB-2017-0087 Rate M12 Schedule 'C' at October 2017 QRAM Dawn Reference WACOG, plus the M12 Dawn-Parkway Facility Carbon Charge per Exhibit E, Table 1, column (b).

UNION RATE ZONES

Derivation of the 2019 Direct Purchase (DP) PDCI Costs, Updated to Include Facility Carbon Charge.

Line No.	Particulars	Demand Costs		Commodity Costs		Total DP PDCI Costs (\$000's) (e) = (b + d)
		2013 Approved Dawn-Parkway Design Day Demands (1) (10 ³ m ³ /d) (a)	220 TJ DP Demand Costs (2) (\$000's) (b)	2013 Approved Delivery Volumes East of Dawn (4) (10 ³ m ³) (c)	220 TJ DP Fuel and UFG Costs (5) (\$000's) (d)	
1	Rate M1	22,132	4,977	1,823,853	857	5,834
2	Rate M2	7,435	1,672	645,259	303	1,975
3	Rate M4	2,162	486	294,126	138	624
4	Rate M5 Firm	20	5	7,501	4	8
5	Rate M5 Interruptible	-	-	203,891	96	96
6	Rate M7 Firm	997	224	118,324	56	280
7	Rate M7 Interruptible	-	-	-	-	-
8	Rate M9	356	80	60,750	29	109
9	Rate M10	11	2	189	0	3
10	Rate T1 Firm	1,068	240	267,950	126	366
11	Rate T1 Interruptible	-	-	28,552	13	13
12	Rate T2 Firm	6,931	1,559	1,380,265	648	2,207
13	Rate T2 Interruptible	-	-	32,431	15	15
14	Rate T3	2,511	565	272,712	128	693
15	Total	<u>43,624</u>	<u>9,811 (3)</u>	<u>5,135,803</u>	<u>2,412 (6)</u>	<u>12,223</u>

Notes:

- (1) Union South In-franchise Dawn-Parkway Design Day Demand Allocation Factor per EB-2011-0210, Exhibit G3, Tab 5, Schedule 23, p. 7, line 2, Updated for Board Decision.
- (2) Allocated in proportion to column (a). Parkway Delivery Obligation of 220 TJ/d as per EB-2017-0087, Rate Order, Working Papers, Schedule 20, p. 6, Column (b).
- (3) Calculated as 220 TJ x \$0.122/GJ/d x 365 = \$9.811 million. Rate represents the M12 Dawn-Parkway demand rate per EB-2017-0087.
- (4) Union South in-franchise volumes east of Dawn per EB-2011-0210, Exhibit G3, Tab 5, Schedule 21, pp. 13 & 14, Updated for Board Decision.
- (5) Allocated in proportion to column (c).
- (6) Calculated as 220 TJ x \$0.030/GJ/d x 365 = \$2.412 million. Rate represents the average Dawn-Parkway (TCPL / EGT) fuel ratio per EB-2017-0087 Rate M12 Schedule 'C' at October 2017 QRAM Dawn Reference WACOG, plus the M12 Dawn-Parkway Facility Carbon Charge per Exhibit E, Table 1, column (b).

UNION RATE ZONES
 Union North
 Calculation of Supplemental Service Charges
 Commissioning and Decommissioning Rates
 Effective April 1, 2019

Line No.	Particulars	Union North West (a)	Union North East (b)
<u>Rate 20 - At 50% Load Factor</u>			
<u>Delivery (cents / m³)</u>			
1	Monthly Demand (1)	28.6515	28.6515
2	Line 1 x 12 months	343.8180	343.8180
3	Line 2 / 365 days	0.9420	0.9420
4	Line 3 @ 50% Load Factor	1.8839	1.8839
5	Delivery Commodity Charge (1)	0.5468	0.5468
6	Total Delivery Commissioning and Decommissioning	<u>2.4307</u>	<u>2.4307</u>
<u>Gas Supply (cents / m³)</u>			
7	Monthly Demand (1)	56.3643	47.8650
8	Gas Supply Demand - Price Adjustment (1)	-	-
9	(Line 7 + Line 8) x 12 months	676.3716	574.3800
10	Line 9 / 365 days	1.8531	1.5736
11	Line 10 @ 50% Load Factor	<u>3.7061</u>	<u>3.1473</u>
12	Commodity Transportation 1 (1)	3.5406	2.2263
13	Commodity Transportation 1 - Price Adjustment (1)	0.2642	(1.0416)
14	(Line 12 + Line 13) x (4/5)	<u>3.0438</u>	<u>0.9478</u>
15	Commodity Transportation 2 (1)	-	-
16	Line 15 * (1/5)	-	-
17	Total Commodity Transportation Charge for Commissioning and Decommissioning Rate	<u>6.7500</u>	<u>4.0950</u>
<u>Rate 100 - At 70% Load Factor</u>			
<u>Delivery (cents / m³)</u>			
18	Monthly Demand (2)	15.0877	15.0877
19	Line 18 x 12 months	181.0524	181.0524
20	Line 19 / 365 days	0.4960	0.4960
21	Line 20 @ 70% Load Factor	0.7086	0.7086
22	Commodity Charge (2)	0.2201	0.2201
23	Total Delivery Commissioning and Decommissioning	<u>0.9287</u>	<u>0.9287</u>
<u>Gas Supply (cents / m³)</u>			
24	Monthly Demand (2)	110.5527	155.6734
25	Line 24 x 12 months	1,326.6324	1,868.0808
26	Line 25 / 365 days	3.6346	5.1180
27	Line 26 @ 70% Load Factor	<u>5.1923</u>	<u>7.3115</u>
28	Commodity Transportation 1 (2)	6.2043	8.9067
29	Line 28 * (3/7)	2.6590	3.8172
30	Commodity Transportation 2 (2)	-	-
31	Line 30 * (4/7)	-	-
32	Total Commodity Transportation Charge for Commissioning and Decommissioning Rate	<u>7.8513</u>	<u>11.1286</u>

Notes:

- (1) Appendix A, p.3.
- (2) Appendix A, p.4.

UNION RATE ZONES
 Union South
 Calculation of Supplemental Service Charges
 Effective April 1, 2019

Line No.	Particulars	cents / m ³ (a)	\$ / GJ (b)
<u>Minimum Annual Gas Supply Commodity Charge - Rate M4, Rate M5A</u>			
1	Compressor Fuel	-	
2	Transportation Tolls	-	
3	Administration Charge	0.1893	
4	Minimum annual gas supply commodity charge	<u>0.1893</u>	<u>0.049</u>
<u>Gas Supply Commodity Charges</u>			
5	Commodity Cost of Gas	15.0971	
6	FT Transportation Commodity	-	
7	FT Fuel	-	
8	Total Gas Supply Commodity Charge	<u>15.0971</u>	<u>3.882</u>
<u>Firm Gas Supply Service Monthly Demand Charge</u>			
9	FT Demand Charge	<u>223.9986</u>	<u>57.598</u>
<u>Firm Backstop Gas:</u>			
Demand:			
10	Monthly space charge	0.0428	
11	Units required (1)	43	
12	Number of months	<u>12</u>	22.0740 (a)
Inventory carrying costs:			
13	Sales WACOG	15.0040	
14	Overrun storage withdrawal	<u>0.3539</u>	
15		15.3579	
16	Units required (m ³)	43	
17	Pre-tax return (%)	8.170%	53.9538 (b)
18	Annual demand charge		76.0278 (a) + (b)
19	Number of months	12	
20	Monthly demand charge	<u>6.3357</u>	<u>1.629</u>
Commodity:			
21	Sales WACOG	15.0040	
22	Overrun storage withdrawal	0.3539	
23	Rate T1 - Overrun transportation	1.4903	
24	Rate T1 - Facility Carbon charge	<u>0.0084</u>	
25	Commodity charge	<u>16.8566</u>	<u>4.334</u>

Notes:

(1) Each unit of added delivery requires 43 m³ of additional inventory.

UNION RATE ZONES
 Union South
 Calculation of Supplemental Service Charges
 Effective April 1, 2019

Line No.	Particulars	cents / m ³ (a)	\$ / GJ (b)
	<u>Reasonable Efforts Backstop Gas:</u>		
1	Rate M1 - Block 1 delivery rate	5.1125	
2	Rate M1 - Storage rate	0.7331	
3	Rate M1 - Facility Carbon Charge	0.0084	
4	Sales WACOG	15.0040	
5	Total	<u>20.8580</u>	<u>5.363</u>
	<u>Supplemental Inventory:</u>		
6	Sales WACOG	15.0040	
7	Injection commodity	0.1642	
8	Space charge (p.2, line 10 x 12)	0.5133	
9		<u>15.6815</u>	<u>4.032</u>
10	Carrying costs (1/2 year) (line 9 x p.2, line 17) / 2	0.6406	
11	Total (line 9 + line 10)	<u>16.3221</u>	<u>4.197</u>
	<u>Supplemental Gas Sales:</u>		
12	Supplemental inventory	16.3221	
13	Overrun storage withdrawal	0.3539	
14	Rate T1 - Overrun transportation	1.4903	
15	Rate T1 - Facility Carbon charge	0.0084	
16	Total	<u>18.1747</u>	
	<u>Failure to Deliver:</u>		
17	Rate M1 - Block 1 delivery rate	5.1125	
18	Rate M1 - Storage rate	0.7331	
19	Rate M1 - Facility Carbon charge	0.0084	0.002
20	Failure to Deliver Adjustment	5.1708	1.330
21	Failure to Deliver Charge	<u>11.0248</u>	<u>2.835</u>
	<u>Parkway Delivery Commitment Incentive ("PDCI")</u>		
22	Rate M12 Dawn to Parkway demand rate (1)		3.716
23	Line 22 x 12 months		44.5920
24	Line 23 / 365 days		0.122
25	Rate M12 average Dawn to Parkway (TCPL / EGT) fuel rate (2)		0.028
26	Rate M12 Dawn to Parkway Facility Carbon Charge (3)		0.002
27	Total (line 24 + line 25 + line 26)		<u>(0.152)</u>

Notes:

- (1) Appendix A, p.14, line 2, column (c).
- (2) EB-2017-0087, Rate Order, Appendix B, Rate M12 Rate Schedule C, p.1, average of Dawn to Parkway (TCPL / EGT) monthly fuel ratio at October 2017 QRAM Dawn Reference WACOG.
- (3) Appendix A, p.14, line 8, column (c).

UNION RATE ZONES
 Union South
 Calculation of Supplemental Service Charges
 Calculation of Minimum & Maximum Charges
 Effective April 1, 2019

Line No.	Particulars	cents / m ³ (a)
<u>Minimum Charges</u>		
1	Rate M4 (F) Minimum annual delivery commodity charge:	
2	Monthly delivery commodity charge (Rate M4 1st Block)	1.5791
3	Gas Supply Admin Charge	0.1893
	Minimum annual delivery commodity charge	<u>1.7684</u>
4	Rate M4 (I) / M5 Minimum annual delivery commodity charge:	
5	Monthly delivery commodity charge (Rate M5 1st Block)	3.0547
6	Gas Supply Admin Charge	0.1893
	Minimum annual delivery commodity charge	<u>3.2440</u>
<u>Maximum Charges</u>		
7	Rate 25 Interruptible Average Rate 10 Firm Delivery Charge	5.8728
8	Percent of Average Firm Delivery Price	<u>90%</u>
9	Rate 25 Maximum interruptible delivery commodity charge	<u>5.2855</u>
10	Rate M7 Interruptible Maximum interruptible delivery commodity charge:	
11	Rate M7 firm commodity charge	0.3708
12	Rate M7 firm demand charge commoditized at a Load Factor of 18.69%	6.0962
	Rate M7 maximum interruptible charge	<u>6.4670</u>
13	Rate T1 Interruptible Maximum interruptible delivery commodity charge	<u>6.4670</u>
14	Rate T2 Interruptible Maximum interruptible delivery commodity charge	<u>6.4670</u>
<u>Rate M7 - Commissioning and Decommissioning Rate</u>		
15	Delivery (cents / m ³) Monthly Demand (1)	34.6517
16	Annual Demand (line 15 x 12 months)	415.8204
17	Daily Demand (line 16 / 365 days)	1.1392
18	@ Class Average Firm Load Factor of 26.70%	4.2674
19	Delivery Commodity Charge (1)	0.3708
20	Delivery - Price Adjustment	-
21	Total Delivery Commissioning and Decommissioning (line 18 + line 19 + line 20)	<u>4.6382</u>

Notes:
 (1) Appendix A, p.9.

UNION RATE ZONES
 Union South
 Calculation of Supplemental Service Charges
 Effective April 1, 2019

Line No.	Particulars	Union Supplies Fuel (a)	Customer Supplies Fuel (b)
<u>Rate T1 / Rate T2 / Rate T3 - At 100% Load Factor</u>			
	Authorized Storage Overrun (\$ / GJ)		
1	Monthly Demand (1)	1.482	1.482
2	Annual Demand (line 1 x 12 months)	17.784	17.784
3	Daily Demand (line 2 / 365 days)	0.049	0.049
4	@ 100% Load Factor	0.049	0.049
5	Commodity Charge (2)	0.042	0.008
6	Total Storage Overrun (line 4 + line 5)	<u>0.091</u>	<u>0.057</u>
<u>Rate T1 - At 100% Load Factor</u>			
	Authorized Transportation Overrun (cents / m ³)		
7	Monthly Demand (3)	40.5921	40.5921
8	Annual Demand (line 7 x 12 months)	487.1052	487.1052
9	Daily Demand (line 8 / 365 days)	1.3345	1.3345
10	@ 100% Load Factor	1.3345	1.3345
11	Commodity Charge (4)	0.1558	0.1070
12	Total Transportation Overrun (line 10 + line 11)	<u>1.4903</u>	<u>1.4415</u>
<u>Rate T2 - At 100% Load Factor</u>			
	Authorized Transportation Overrun (cents / m ³)		
13	Monthly Demand (5)	32.0198	32.0198
14	Annual Demand (line 13 x 12 months)	384.2376	384.2376
15	Daily Demand (line 14 / 365 days)	1.0527	1.0527
16	@ 100% Load Factor	1.0527	1.0527
17	Commodity Charge (6)	0.0690	0.0245
18	Total Transportation Overrun (line 16 + line 17)	<u>1.1217</u>	<u>1.0772</u>
<u>Rate T3 - At 100% Load Factor</u>			
	Authorized Transportation Overrun (cents / m ³)		
19	Monthly Demand (7)	17.9898	17.9898
20	Annual Demand (line 19 x 12 months)	215.8776	215.8776
21	Daily Demand (line 20 / 365 days)	0.5914	0.5914
22	@ 100% Load Factor	0.5914	0.5914
23	Commodity Charge (8)	0.1223	0.0601
24	Total Transportation Overrun (line 22 + line 23)	<u>0.7137</u>	<u>0.6515</u>

Notes:

- (1) Appendix A, p.10.
- (2) Column (a) calculated as WACOG / Heat Value * Overrun Fuel Ratio + Injection Commodity = \$150.971 / 10³m³ / 38.89 GJ/10³m³ * 0.881% + \$0.008/GJ.
- (3) Appendix A, p.10.
- (4) Column (a) calculated as WACOG / 10 * Transportation Fuel Ratio + Firm Commodity Transport = \$150.971 / 10³m³ / 10 * 0.323% + 0.1070 cents/m³.
- (5) Appendix A, p.11.
- (6) Column (a) calculated as WACOG / 10 * Transportation Fuel Ratio + Firm Commodity Transport = \$150.971 / 10³m³ / 10 * 0.295% + 0.0245 cents/m³.
- (7) Appendix A, p.12.
- (8) Column (a) calculated as WACOG / 10 * Transportation Fuel Ratio + Firm Commodity Transport = \$150.971 / 10³m³ / 10 * 0.412% + 0.0601 cents/m³.

UNION RATE ZONES
 Union South
 Calculation of Union Supplied Fuel Rates for
 In-Franchise Semi-Unbundled Rate T1, Rate T2 and Rate T3
 Effective April 1, 2019

Line No.	Particulars	Union Supplies Fuel (a)	Customer Supplies Fuel (b)
<u>Rate T1 Transportation Service (cents/m³)</u>			
1	Dawn Price as per EB-2018-0187 / EB-2018-0205	15.0971	
2	2018 Fuel Ratio as per EB-2018-0187 / EB-2018-0205	0.323%	
3	Fuel Rate (line 1 x line 2)	0.0488	
4	Firm Transportation Commodity Charge	0.1070	0.1070
5	All Volumes	<u>0.1558</u>	<u>0.1070</u>
6	Interruptible Transportation Commodity Charge - Maximum	<u>6.4670</u>	<u>6.4182</u>
<u>Rate T2 Transportation Service (cents/m³)</u>			
7	Dawn Price as per EB-2018-0187 / EB-2018-0205	15.0971	
8	2018 Fuel Ratio as per EB-2018-0187 / EB-2018-0205	0.295%	
9	Fuel Rate (line 7 x line 8)	0.0445	
10	Firm Transportation Commodity Charge	0.0245	0.0245
11	All Volumes	<u>0.0690</u>	<u>0.0245</u>
12	Interruptible Transportation Commodity Charge - Maximum	<u>6.4670</u>	<u>6.4225</u>
<u>Rate T3 Transportation Service (cents/m³)</u>			
13	Dawn Price as per EB-2018-0187 / EB-2018-0205	15.0971	
14	2018 Fuel Ratio as per EB-2018-0187 / EB-2018-0205	0.412%	
15	Fuel Rate (line 13 x line 14)	0.0622	
16	Firm Transportation Commodity Charge	0.0601	0.0601
17	All Volumes	<u>0.1223</u>	<u>0.0601</u>
<u>Rate T1, Rate T2 & Rate T3 Storage Service (\$/GJ)</u>			
18	Dawn Price as per EB-2018-0187 / EB-2018-0205	3.882	
19	2018 Fuel Ratio as per EB-2018-0187 / EB-2018-0205	0.408%	
20	Fuel Rate (line 18 x line 19)	0.016	
21	Storage Commodity Charge	0.008	0.008
22	All Volumes	<u>0.024</u>	<u>0.008</u>
<u>Rate T1, Rate T2 & Rate T3 Annual Firm Injection/Withdrawal Right</u>			
		<u>\$/ GJ</u>	
		(a)	
23	Customer provides deliverability Inventory Rate	1.184 (1)	
Inventory Carrying Costs			
24	Space	75,177,124 (2)	
25	Inventory Percentage	20%	
26	Inventory (line 24 x line 25)	<u>15,035,425</u>	
27	Dawn Price as per EB-2018-0187 / EB-2018-0205	3.882	
28	ICC %	8.2%	
29	Inventory Carrying Costs (line 26 * line 27 * line 28 / 1000)	<u>4,769</u>	
30	Deliverability Demand Allocation Units	1,332,764 (3)	
31	Line 29 / line 30 x 1000 / 12	0.298	
32	Union provides deliverability Inventory as per EB-2018-0187 / EB-2018-0205 (line 23 + line 31)	<u>1.482</u>	

Notes:

- (1) EB-2017-0087, Rate Order, Working Papers, Schedule 4, p.16, line 2, column (s).
- (2) EB-2011-0210, Rate Order, Working Papers, Schedule 19, p.2, line 8, column (b).
- (3) EB-2011-0210, Rate Order, Working Papers, Schedule 19, p.1, line 5, column (e).

UNION RATE ZONES
 Union South
General Service Customer Bill Impacts

Line No.	Particulars	Rate M1 - Residential (Annual Consumption of 2,200 m ³)			Rate M2 - Commercial (Annual Consumption of 73,000 m ³)		
		EB-2018-0315 Approved 01-Jan-19 Total Bill (\$) (1) (a)	EB-2018-0187 EB-2018-0205 Proposed 01-Apr-19 Total Bill (\$) (1) (b)	Impact (\$) (c) = (b) - (a)	EB-2018-0315 Approved 01-Jan-19 Total Bill (\$) (1) (d)	EB-2018-0187 EB-2018-0205 Proposed 01-Apr-19 Total Bill (\$) (1) (e)	Impact (\$) (f) = (e) - (d)
	<u>Delivery Charges</u>						
1	Monthly Charge	252.00	252.00	-	840.00	840.00	-
2	Delivery Commodity Charge	106.45	106.65	0.20	3,617.12	3,624.75	7.63
3	Storage Services	16.12	16.12	-	473.26	473.26	-
4	Total Delivery Charge	<u>374.57</u>	<u>374.77</u>	<u>0.20</u>	<u>4,930.38</u>	<u>4,938.01</u>	<u>7.63</u>
5	Federal Carbon Charge	-	86.01	86.01	-	2,854.31	2,854.31
	<u>Supply Charges</u>						
6	Transportation to Union	-	-	-	-	-	-
7	Commodity	330.08	330.08	-	10,952.91	10,952.91	-
8	Total Gas Supply Charge	<u>330.08</u>	<u>330.08</u>	<u>-</u>	<u>10,952.91</u>	<u>10,952.91</u>	<u>-</u>
	<u>Total Bill</u>						
9	Including Federal Carbon Charge	<u>704.65</u>	<u>790.86</u>	<u>86.21</u>	<u>15,883.29</u>	<u>18,745.23</u>	<u>2,861.94</u>
10	Excluding Federal Carbon Charge	<u>704.65</u>	<u>704.85</u>	<u>0.20</u>	<u>15,883.29</u>	<u>15,890.92</u>	<u>7.63</u>
	<u>Impacts</u>						
	Sales Service						
11	Including Federal Carbon Charge (line 9)			86.21			2,861.94
12	Excluding Federal Carbon Charge (line 10)			0.20			7.63
	Direct Purchase						
13	Including Federal Carbon Charge (line 4 + line 5)			86.21			2,861.94
14	Excluding Federal Carbon Charge (line 4)			0.20			7.63

Notes:

(1) Excludes temporary charges/(credits) and prospective recovery.

UNION RATE ZONES
 Union North
General Service Customer Bill Impacts

Line No.	Particulars	Union North West Rate 01 - Residential (Annual Consumption of 2,200 m ³)			Union North East Rate 01 - Residential (Annual Consumption of 2,200 m ³)		
		EB-2018-0315 Approved 01-Jan-19 Total Bill (\$) (1)	EB-2018-0187 EB-2018-0205 Proposed 01-Apr-19 Total Bill (\$) (1)	Impact (\$) (c) = (b) - (a)	EB-2018-0315 Approved 01-Jan-19 Total Bill (\$) (1)	EB-2018-0187 EB-2018-0205 Proposed 01-Apr-19 Total Bill (\$) (1)	Impact (\$) (f) = (e) - (d)
		(a)	(b)		(d)	(e)	
	<u>Delivery Charges</u>						
1	Monthly Charge	252.00	252.00	-	252.00	252.00	-
2	Delivery Commodity Charge	204.10	204.27	0.17	204.10	204.27	0.17
3	Total Delivery Charge	456.10	456.27	0.17	456.10	456.27	0.17
4	Federal Carbon Charge	-	86.01	86.01	-	86.01	86.01
	<u>Supply Charges</u>						
5	Transportation to Union	147.45	147.45	-	60.81	60.81	-
6	Storage Services	48.59	48.59	-	140.70	140.70	-
7	Subtotal	196.04	196.04	-	201.51	201.51	-
8	Commodity	268.46	268.46	-	336.30	336.30	-
9	Total Gas Supply Charge	464.50	464.50	-	537.81	537.81	-
	<u>Total Bill</u>						
10	Including Federal Carbon Charge	920.60	1,006.78	86.18	993.91	1,080.09	86.18
11	Excluding Federal Carbon Charge	920.60	920.77	0.17	993.91	994.08	0.17
	<u>Impacts</u>						
	Sales Service						
12	Including Federal Carbon Charge (line 10)			86.18			86.18
13	Excluding Federal Carbon Charge (line 11)			0.17			0.17
	Direct Purchase						
14	Including Federal Carbon Charge (line 3 + line 4 + line 7)			86.18			86.18
15	Excluding Federal Carbon Charge (line 3 + line 7)			0.17			0.17

Notes:

(1) Excludes temporary charges/(credits) and prospective recovery.

UNION RATE ZONES
 Union North
General Service Customer Bill Impacts

Line No.	Particulars	Union North West Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m ³)			Union North East Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m ³)		
		EB-2018-0315 Approved 01-Jan-19 Total Bill (\$) (1)	EB-2018-0187 EB-2018-0205 Proposed 01-Apr-19 Total Bill (\$) (1)	Impact (\$) (c) = (b) - (a)	EB-2018-0315 Approved 01-Jan-19 Total Bill (\$) (1)	EB-2018-0187 EB-2018-0205 Proposed 01-Apr-19 Total Bill (\$) (1)	Impact (\$) (f) = (e) - (d)
		(a)	(b)	(c) = (b) - (a)	(d)	(e)	(f) = (e) - (d)
	<u>Delivery Charges</u>						
1	Monthly Charge	840.00	840.00	-	840.00	840.00	-
2	Delivery Commodity Charge	6,109.04	6,116.85	7.81	6,109.04	6,116.85	7.81
3	Total Delivery Charge	6,949.04	6,956.85	7.81	6,949.04	6,956.85	7.81
4	Federal Carbon Charge	-	3,636.30	3,636.30	-	3,636.30	3,636.30
	<u>Supply Charges</u>						
5	Transportation to Union	5,460.31	5,460.31	-	2,356.16	2,356.16	-
6	Storage Services	1,551.72	1,551.72	-	4,237.82	4,237.82	-
7	Subtotal	7,012.03	7,012.03	-	6,593.98	6,593.98	-
8	Commodity	11,348.23	11,348.23	-	14,216.35	14,216.35	-
9	Total Gas Supply Charge	18,360.26	18,360.26	-	20,810.33	20,810.33	-
	<u>Total Bill</u>						
10	Including Federal Carbon Charge	25,309.30	28,953.41	3,644.11	27,759.37	31,403.48	3,644.11
11	Excluding Federal Carbon Charge	25,309.30	25,317.11	7.81	27,759.37	27,767.18	7.81
	<u>Impacts</u>						
	<u>Sales Service</u>						
12	Including Federal Carbon Charge (line 10)			3,644.11			3,644.11
13	Excluding Federal Carbon Charge (line 11)			7.81			7.81
	<u>Direct Purchase</u>						
14	Including Federal Carbon Charge (line 3 + line 4 + line 7)			3,644.11			3,644.11
15	Excluding Federal Carbon Charge (line 3 + line 7)			7.81			7.81

Notes:

(1) Excludes temporary charges/(credits) and prospective recovery.

UNION RATE ZONES
 Union North In-Franchise
Calculation of 2019 Sales Service and Direct Purchase Bill Impacts for Typical Small and Large Customers - Union North

Line No.	Particulars	Approved - EB-2018-0315 (1)		Proposed - EB-2018-0187 EB-2018-0205			Bill Impact	
		Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill Change (\$)	Including Federal Carbon Charge (%)	Excluding Federal Carbon Charge (%)
		(a)	(b)	(c)	(d)	(e) = (c - a)	(f) = (e / a)	(g)
<u>Small Rate 01</u>								
1	Delivery Charges	456	20.7318	456	20.7395	0.17	0.0%	0.0%
2	Federal Carbon Charge	-	-	86	3.9095	86.01	100.0%	0.0%
3	Gas Supply Charges (2)	465	21.1136	465	21.1136	-	0.0%	0.0%
4	Total Bill	921	41.8455	1,007	45.7627	86.18	9.4%	0.0%
5	Sales Service Impact					86.18	9.4%	0.0%
6	Bundled-T (Direct Purchase) Impact					86.18	13.2%	0.0%
<u>Small Rate 10</u>								
7	Delivery Charges	4,895	8.1589	4,900	8.1673	5	0.1%	0.1%
8	Federal Carbon Charge	-	-	2,346	3.9100	2,346	100.0%	0.0%
9	Gas Supply Charges (2)	13,426	22.3767	13,426	22.3767	-	0.0%	0.0%
10	Total Bill	18,321	30.5356	20,672	34.4540	2,351	12.8%	0.0%
11	Sales Service Impact					2,351	12.8%	0.0%
12	Bundled-T (Direct Purchase) Impact					2,351	25.7%	0.1%
<u>Large Rate 10</u>								
13	Delivery Charges	16,175	6.4700	16,196	6.4784	21	0.1%	0.1%
14	Federal Carbon Charge	-	-	9,775	3.9100	9,775	100.0%	0.0%
15	Gas Supply Charges (2)	55,942	22.3767	55,942	22.3767	-	0.0%	0.0%
16	Total Bill	72,117	28.8467	81,913	32.7651	9,796	13.6%	0.0%
17	Sales Service Impact					9,796	13.6%	0.0%
18	Bundled-T (Direct Purchase) Impact					9,796	28.9%	0.1%
<u>Small Rate 20</u>								
19	Delivery Charges	74,867	2.4956	75,119	2.5040	252	0.3%	0.3%
20	Federal Carbon Charge	-	-	117,300	3.9100	117,300	100.0%	0.0%
21	Gas Supply Charges (2)	572,989	19.0996	572,989	19.0996	-	0.0%	0.0%
22	Total Bill	647,856	21.5952	765,408	25.5136	117,552	18.1%	0.0%
23	Sales Service Impact					117,552	18.1%	0.0%
24	Bundled-T (Direct Purchase) Impact					117,552	58.5%	0.1%
<u>Large Rate 20</u>								
25	Delivery Charges	291,279	1.9419	292,539	1.9503	1,260	0.4%	0.4%
26	Federal Carbon Charge	-	-	586,500	3.9100	586,500	100.0%	0.0%
27	Gas Supply Charges (2)	2,774,916	18.4994	2,774,916	18.4994	-	0.0%	0.0%
28	Total Bill	3,066,195	20.4413	3,653,955	24.3597	587,760	19.2%	0.0%
29	Sales Service Impact					587,760	19.2%	0.0%
30	Bundled-T (Direct Purchase) Impact					587,760	70.7%	0.2%

Notes:

- (1) Reflects approved rates per January 2019 QRAM (EB-2018-0315), Appendix A.
- (2) Gas Supply charges based on Union North East Zone.

UNION RATE ZONES
 Union North In-Franchise
Calculation of 2019 Sales Service and Direct Purchase Bill Impacts for Typical Small and Large Customers - Union North

Line No.	Particulars	Approved - EB-2018-0315 (1)		Proposed - EB-2018-0187 EB-2018-0205			Bill Impact	
		Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill Change (\$)	Including Federal Carbon Charge (%)	Excluding Federal Carbon Charge (%)
		(a)	(b)	(c)	(d)	(e) = (c - a)	(f) = (e / a)	(g)
<u>Average Rate 25</u>								
1	Delivery Charges	61,501	2.7033	61,692	2.7117	191	0.3%	0.3%
2	Federal Carbon Charge	-	-	88,953	3.9100	88,953	100.0%	0.0%
3	Gas Supply Charges (2)	371,803	16.3430	371,803	16.3430	-	0.0%	0.0%
4	Total Bill	<u>433,304</u>	<u>19.0463</u>	<u>522,448</u>	<u>22.9647</u>	<u>89,144</u>	<u>20.6%</u>	<u>0.0%</u>
5	Sales Service Impact					89,144	20.6%	0.0%
6	T-Service (Direct Purchase) Impact					89,144	144.9%	0.3%
<u>Small Rate 100</u>								
7	Delivery Charges	256,576	0.9503	258,844	0.9587	2,268	0.9%	0.9%
8	Federal Carbon Charge	-	-	1,055,700	3.9100	1,055,700	100.0%	0.0%
9	Gas Supply Charges (2)	6,868,550	25.4391	6,868,550	25.4391	-	0.0%	0.0%
10	Total Bill	<u>7,125,127</u>	<u>26.3894</u>	<u>8,183,095</u>	<u>30.3078</u>	<u>1,057,968</u>	<u>14.8%</u>	<u>0.0%</u>
11	Sales Service Impact					1,057,968	14.8%	0.0%
12	T-Service (Direct Purchase) Impact					1,057,968	412.3%	0.9%
<u>Large Rate 100</u>								
13	Delivery Charges	2,083,282	0.8680	2,103,442	0.8764	20,160	1.0%	1.0%
14	Federal Carbon Charge	-	-	9,384,000	3.9100	9,384,000	100.0%	0.0%
15	Gas Supply Charges (2)	59,946,990	24.9779	59,946,990	24.9779	-	0.0%	0.0%
16	Total Bill	<u>62,030,272</u>	<u>25.8459</u>	<u>71,434,432</u>	<u>29.7643</u>	<u>9,404,160</u>	<u>15.2%</u>	<u>0.0%</u>
17	Sales Service Impact					9,404,160	15.2%	0.0%
18	T-Service (Direct Purchase) Impact					9,404,160	451.4%	1.0%

Notes:

- (1) Reflects approved rates per January 2019 QRAM (EB-2018-0315), Appendix A.
- (2) Gas Supply charges based on Union North East Zone.

UNION RATE ZONES
 Union South In-Franchise
Calculation of 2019 Sales Service and Direct Purchase Bill Impacts for Typical Small and Large Customers - Union South

Line No.	Particulars	Approved - EB-2018-0315 (1)		Proposed - EB-2018-0187 EB-2018-0205			Bill Impact	
		Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill Change (\$)	Including Federal Carbon Charge (%)	Excluding Federal Carbon Charge (%)
		(a)	(b)	(c)	(d)	(e) = (c - a)	(f) = (e / a)	(g)
<u>Small Rate M1</u>								
1	Delivery Charges	375	17.0259	375	17.0350	0.20	0.1%	0.1%
2	Federal Carbon Charge	-	-	86	3.9095	86.01	100.0%	0.0%
3	Gas Supply Charges	330	15.0036	330	15.0036	-	0.0%	0.0%
4	Total Bill	<u>705</u>	<u>32.0295</u>	<u>791</u>	<u>35.9482</u>	<u>86.21</u>	<u>12.2%</u>	<u>0.0%</u>
5	Sales Service Impact					86.21	12.2%	0.0%
6	Direct Purchase Impact					86.21	43.0%	0.1%
<u>Small Rate M2</u>								
7	Delivery Charges	4,213	7.0217	4,219	7.0322	6	0.1%	0.1%
8	Federal Carbon Charge	-	-	2,346	3.9100	2,346	100.0%	0.0%
9	Gas Supply Charges	9,002	15.0040	9,002	15.0040	-	0.0%	0.0%
10	Total Bill	<u>13,215</u>	<u>22.0257</u>	<u>15,568</u>	<u>25.9462</u>	<u>2,352</u>	<u>17.8%</u>	<u>0.0%</u>
11	Sales Service Impact					2,352	17.8%	0.0%
12	Direct Purchase Impact					2,352	55.8%	0.1%
<u>Large Rate M2</u>								
13	Delivery Charges	14,338	5.7351	14,364	5.7454	26	0.2%	0.2%
14	Federal Carbon Charge	-	-	9,775	3.9100	9,775	100.0%	0.0%
15	Gas Supply Charges	37,510	15.0040	37,510	15.0040	-	0.0%	0.0%
16	Total Bill	<u>51,848</u>	<u>20.7391</u>	<u>61,649</u>	<u>24.6594</u>	<u>9,801</u>	<u>18.9%</u>	<u>0.0%</u>
17	Sales Service Impact					9,801	18.9%	0.0%
18	Direct Purchase Impact					9,801	68.4%	0.2%
<u>Small Rate M4</u>								
19	Delivery Charges	49,316	5.6361	49,419	5.6479	102	0.2%	0.2%
20	Federal Carbon Charge	-	-	34,213	3.9100	34,213	100.0%	0.0%
21	Gas Supply Charges	131,285	15.0040	131,285	15.0040	-	0.0%	0.0%
22	Total Bill	<u>180,601</u>	<u>20.6401</u>	<u>214,916</u>	<u>24.5619</u>	<u>34,315</u>	<u>19.0%</u>	<u>0.1%</u>
23	Sales Service Impact					34,315	19.0%	0.1%
24	Direct Purchase Impact					34,315	69.6%	0.2%
<u>Large Rate M4</u>								
25	Delivery Charges	378,095	3.1508	379,345	3.1612	1,250	0.3%	0.3%
26	Federal Carbon Charge	-	-	469,200	3.9100	469,200	100.0%	0.0%
27	Gas Supply Charges	1,800,480	15.0040	1,800,480	15.0040	-	0.0%	0.0%
28	Total Bill	<u>2,178,575</u>	<u>18.1548</u>	<u>2,649,025</u>	<u>22.0752</u>	<u>470,450</u>	<u>21.6%</u>	<u>0.1%</u>
29	Sales Service Impact					470,450	21.6%	0.1%
30	Direct Purchase Impact					470,450	124.4%	0.3%

Notes:

(1) Reflects approved rates per January 2019 QRAM (EB-2018-0315), Appendix A.

UNION RATE ZONES
 Union South In-Franchise
Calculation of 2019 Sales Service and Direct Purchase Bill Impacts for Typical Small and Large Customers - Union South

Line No.	Particulars	Approved - EB-2018-0315 (1)		Proposed - EB-2018-0187 EB-2018-0205			Bill Impact	
		Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill Change (\$)	Including Federal Carbon Charge (%)	Excluding Federal Carbon Charge (%)
		(a)	(b)	(c)	(d)	(e) = (c - a)	(f) = (e / a)	(g)
<u>Small Rate M5</u>								
1	Delivery Charges	32,921	3.9904	33,003	4.0003	82	0.2%	0.2%
2	Federal Carbon Charge	-	-	32,258	3.9100	32,258	100.0%	0.0%
3	Gas Supply Charges	123,783	15.0040	123,783	15.0040	-	0.0%	0.0%
4	Total Bill	<u>156,704</u>	<u>18.9944</u>	<u>189,043</u>	<u>22.9143</u>	<u>32,339</u>	<u>20.6%</u>	<u>0.1%</u>
5	Sales Service Impact					32,339	20.6%	0.1%
6	Direct Purchase Impact					32,339	98.2%	0.2%
<u>Large Rate M5</u>								
7	Delivery Charges	190,194	2.9261	190,837	2.9360	644	0.3%	0.3%
8	Federal Carbon Charge	-	-	254,150	3.9100	254,150	100.0%	0.0%
9	Gas Supply Charges	975,260	15.0040	975,260	15.0040	-	0.0%	0.0%
10	Total Bill	<u>1,165,454</u>	<u>17.9301</u>	<u>1,420,247</u>	<u>21.8500</u>	<u>254,794</u>	<u>21.9%</u>	<u>0.1%</u>
11	Sales Service Impact					254,794	21.9%	0.1%
12	Direct Purchase Impact					254,794	134.0%	0.3%
<u>Small Rate M7</u>								
13	Delivery Charges	818,368	2.2732	822,616	2.2850	4,248	0.5%	0.5%
14	Federal Carbon Charge	-	-	1,407,600	3.9100	1,407,600	100.0%	0.0%
15	Gas Supply Charges	5,401,440	15.0040	5,401,440	15.0040	-	0.0%	0.0%
16	Total Bill	<u>6,219,808</u>	<u>17.2772</u>	<u>7,631,656</u>	<u>21.1990</u>	<u>1,411,848</u>	<u>22.7%</u>	<u>0.1%</u>
17	Sales Service Impact					1,411,848	22.7%	0.1%
18	Direct Purchase Impact					1,411,848	172.5%	0.5%
<u>Large Rate M7</u>								
19	Delivery Charges	3,184,955	6.1249	3,191,091	6.1367	6,136	0.2%	0.2%
20	Federal Carbon Charge	-	-	2,033,200	3.9100	2,033,200	100.0%	0.0%
21	Gas Supply Charges	7,802,080	15.0040	7,802,080	15.0040	-	0.0%	0.0%
22	Total Bill	<u>10,987,035</u>	<u>21.1289</u>	<u>13,026,371</u>	<u>25.0507</u>	<u>2,039,336</u>	<u>18.6%</u>	<u>0.1%</u>
23	Sales Service Impact					2,039,336	18.6%	0.1%
24	Direct Purchase Impact					2,039,336	64.0%	0.2%

Notes:

(1) Reflects approved rates per January 2019 QRAM (EB-2018-0315), Appendix A.

UNION RATE ZONES
 Union South In-Franchise
Calculation of 2019 Sales Service and Direct Purchase Bill Impacts for Typical Small and Large Customers - Union South

Line No.	Particulars	Approved - EB-2018-0315 (1)		Proposed - EB-2018-0187 EB-2018-0205			Bill Impact	
		Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill Change (\$)	Including Federal Carbon Charge (%)	Excluding Federal Carbon Charge (%)
		(a)	(b)	(c)	(d)	(e) = (c - a)	(f) = (e / a)	(g)
<u>Small Rate M9 (2)</u>								
1	Delivery Charges	172,132	2.4767	172,945	2.4884	813		0.0%
2	Gas Supply Charges	1,042,778	15.0040	1,042,778	15.0040	-		0.0%
3	Total Bill	<u>1,214,910</u>	<u>17.4807</u>	<u>1,215,723</u>	<u>17.4924</u>	<u>813</u>		<u>0.1%</u>
4	Sales Service Impact					813		0.1%
5	Direct Purchase Impact					813		0.5%
<u>Large Rate M9 (2)</u>								
6	Delivery Charges	511,730	2.5361	514,091	2.5478	2,361		0.0%
7	Gas Supply Charges	3,027,507	15.0040	3,027,507	15.0040	-		0.0%
8	Total Bill	<u>3,539,237</u>	<u>17.5401</u>	<u>3,541,598</u>	<u>17.5518</u>	<u>2,361</u>		<u>0.1%</u>
9	Sales Service Impact					2,361		0.1%
10	Direct Purchase Impact					2,361		0.5%
<u>Average Rate M10 (2)</u>								
11	Delivery Charges	6,797	7.1924	6,808	7.2041	11		0.0%
12	Gas Supply Charges	14,179	15.0040	14,179	15.0040	-		0.0%
13	Total Bill	<u>20,976</u>	<u>22.1964</u>	<u>20,987</u>	<u>22.2081</u>	<u>11</u>		<u>0.1%</u>
14	Sales Service Impact					11		0.1%
15	Direct Purchase Impact					11		0.2%
<u>Small Rate T1</u>								
16	Delivery Charges	156,106	2.0712	156,883	2.0815	776	0.5%	0.5%
17	Federal Carbon Charge	-	-	294,697	3.9100	294,697	100.0%	0.0%
18	Gas Supply Charges	1,130,851	15.0040	1,130,851	15.0040	-	0.0%	0.0%
19	Total Bill	<u>1,286,958</u>	<u>17.0752</u>	<u>1,582,431</u>	<u>20.9955</u>	<u>295,473</u>	<u>23.0%</u>	<u>0.1%</u>
20	Sales Service Impact					295,473	23.0%	0.1%
21	Direct Purchase Impact					295,473	189.3%	0.5%
<u>Average Rate T1</u>								
22	Delivery Charges	241,357	2.0868	242,549	2.0971	1,191	0.5%	0.5%
23	Federal Carbon Charge	-	-	452,228	3.9100	452,228	100.0%	0.0%
24	Gas Supply Charges	1,735,353	15.0040	1,735,353	15.0040	-	0.0%	0.0%
25	Total Bill	<u>1,976,711</u>	<u>17.0908</u>	<u>2,430,130</u>	<u>21.0111</u>	<u>453,419</u>	<u>22.9%</u>	<u>0.1%</u>
26	Sales Service Impact					453,419	22.9%	0.1%
27	Direct Purchase Impact					453,419	187.9%	0.5%

Notes:

- (1) Reflects approved rates per January 2019 QRAM (EB-2018-0315), Appendix A.
- (2) Rate M9, Rate M10, and Rate T3 customers are not charged Union's Federal Carbon Charge.

UNION RATE ZONES
 Union South In-Franchise
Calculation of 2019 Sales Service and Direct Purchase Bill Impacts for Typical Small and Large Customers - Union South

Line No.	Particulars	Approved - EB-2018-0315 (1)		Proposed - EB-2018-0187 EB-2018-0205			Bill Impact	
		Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill (\$)	Unit Rate (cents/m ³)	Total Bill Change (\$)	Including Federal Carbon Charge (%)	Excluding Federal Carbon Charge (%)
		(a)	(b)	(c)	(d)	(e) = (c - a)	(f) = (e / a)	(g)
<u>Large Rate T1</u>								
1	Delivery Charges	539,662	2.1061	542,302	2.1164	2,639	0.5%	0.5%
2	Federal Carbon Charge	-	-	1,001,902	3.9100	1,001,902	100.0%	0.0%
3	Gas Supply Charges	3,844,637	15.0040	3,844,637	15.0040	-	0.0%	0.0%
4	Total Bill	4,384,299	17.1101	5,388,840	21.0304	1,004,541	22.9%	0.1%
5	Sales Service Impact					1,004,541	22.9%	0.1%
6	Direct Purchase Impact					1,004,541	186.1%	0.5%
<u>Small Rate T2</u>								
7	Delivery Charges	720,285	1.2155	725,914	1.2250	5,629	0.8%	0.8%
8	Federal Carbon Charge	-	-	2,316,910	3.9100	2,316,910	100.0%	0.0%
9	Gas Supply Charges	8,890,770	15.0040	8,890,770	15.0040	-	0.0%	0.0%
10	Total Bill	9,611,055	16.2195	11,933,594	20.1390	2,322,539	24.2%	0.1%
11	Sales Service Impact					2,322,539	24.2%	0.1%
12	Direct Purchase Impact					2,322,539	322.4%	0.8%
<u>Average Rate T2</u>								
13	Delivery Charges	1,726,235	0.8728	1,745,025	0.8823	18,790	1.1%	1.1%
14	Federal Carbon Charge	-	-	7,733,583	3.9100	7,733,583	100.0%	0.0%
15	Gas Supply Charges	29,676,389	15.0040	29,676,389	15.0040	-	0.0%	0.0%
16	Total Bill	31,402,624	15.8768	39,154,997	19.7963	7,752,373	24.7%	0.1%
17	Sales Service Impact					7,752,373	24.7%	0.1%
18	Direct Purchase Impact					7,752,373	449.1%	1.1%
<u>Large Rate T2</u>								
19	Delivery Charges	2,845,772	0.7689	2,880,931	0.7784	35,158	1.2%	1.2%
20	Federal Carbon Charge	-	-	14,470,480	3.9100	14,470,480	100.0%	0.0%
21	Gas Supply Charges	55,528,154	15.0040	55,528,154	15.0040	-	0.0%	0.0%
22	Total Bill	58,373,926	15.7729	72,879,564	19.6924	14,505,638	24.8%	0.1%
23	Sales Service Impact					14,505,638	24.8%	0.1%
24	Direct Purchase Impact					14,505,638	509.7%	1.2%
<u>Large Rate T3 (2)</u>								
25	Delivery Charges	5,466,424	2.0045	5,498,059	2.0161	31,635		0.0%
26	Gas Supply Charges	40,917,708	15.0040	40,917,708	15.0040	-		0.0%
27	Total Bill	46,384,133	17.0085	46,415,767	17.0201	31,635		0.1%
28	Sales Service Impact					31,635		0.1%
29	Direct Purchase Impact					31,635		0.6%

Notes:

- (1) Reflects approved rates per January 2019 QRAM (EB-2018-0315), Appendix A.
 (2) Rate M9, Rate M10, and Rate T3 customers are not charged Union's Federal Carbon Charge.

ENBRIDGE GAS INC.
 Union North
 Summary of Changes to Sales Rates
 Rate 01A - Small Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
1	Monthly Charge - All Zones	\$21.00		\$21.00
	Monthly Delivery Charge - All Zones			
2	First 100 m ³	9.4319		9.4319
3	Next 200 m ³	9.1920		9.1920
4	Next 200 m ³	8.8127		8.8127
5	Next 500 m ³	8.4645		8.4645
6	Over 1,000 m ³	8.1768		8.1768
7	Delivery - Price Adjustment (All Volumes)	0.2239 (1)		0.2239 (1)
	Carbon Charges			
8	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
9	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
	Gas Transportation Service			
10	Union North West Zone	6.7031		6.7031
11	Union North East Zone	2.7635		2.7635
12	Transportation - Price Adjustment (Union North West)	(1.0393) (2)		(1.0393) (2)
13	Transportation - Price Adjustment (Union North East)	(0.8601) (3)		(0.8601) (3)
	Storage Service			
14	Union North West Zone	2.2094		2.2094
15	Union North East Zone	6.3957		6.3957
16	Storage - Price Adjustment (Union North West)	-		-
17	Storage - Price Adjustment (Union North East)	-		-
	Commodity Cost of Gas and Fuel			
18	Union North West Zone	12.2024		12.2024
19	Union North East Zone	15.2864		15.2864
20	Commodity and Fuel - Price Adjustment (Union North West)	(0.7546) (4)		(0.7546) (4)
21	Commodity and Fuel - Price Adjustment (Union North East)	3.2233 (4)		3.2233 (4)
22	System Expansion Surcharge (if applicable)	23.0000		23.0000

Notes:

- (1) Includes a temporary credit of (0.0391) cents/m³ expiring March 31, 2019, a temporary charge of 0.2630 cents/m³ expiring June 30, 2019.
- (2) Prospective Recovery of gas supply deferral accounts, and a temporary credit of (1.3036) cents/m³ expiring June 30, 2019.
- (3) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.1814 cents/m³ expiring June 30, 2019.
- (4) Prospective Recovery of gas supply deferral accounts.

ENBRIDGE GAS INC.
 Union North
 Summary of Changes to Sales Rates
Rate 10 - Large Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m ³	7.9474		7.9474
3	Next 9,000 m ³	6.4618		6.4618
4	Next 20,000 m ³	5.7910		5.7910
5	Next 70,000 m ³	5.2318		5.2318
6	Over 100,000 m ³	3.1133		3.1133
7	Delivery - Price Adjustment (All Volumes)	(0.0018) (1)		(0.0018) (1)
	Carbon Charges			
8	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
9	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
	Gas Transportation Service			
10	Union North West Zone	5.8713		5.8713
11	Union North East Zone	2.5335		2.5335
12	Transportation - Price Adjustment (Union North West)	(0.6656) (2)		(0.6656) (2)
13	Transportation - Price Adjustment (Union North East)	(0.9001) (3)		(0.9001) (3)
	Storage Service			
14	Union North West Zone	1.6685		1.6685
15	Union North East Zone	4.5568		4.5568
16	Storage - Price Adjustment (Union North West)	-		-
17	Storage - Price Adjustment (Union North East)	-		-
	Commodity Cost of Gas and Fuel			
18	Union North West Zone	12.2024		12.2024
19	Union North East Zone	15.2864		15.2864
20	Commodity and Fuel - Price Adjustment (Union North West)	(0.7546) (4)		(0.7546) (4)
21	Commodity and Fuel - Price Adjustment (Union North East)	3.2233 (4)		3.2233 (4)
22	System Expansion Surcharge (if applicable)	23.0000		23.0000

Notes:

- (1) Includes a temporary credit of (0.1115) cents/m³ expiring March 31, 2019, and a temporary charge of 0.1097 cents/m³ expiring June 30, 2019.
- (2) Prospective Recovery of gas supply deferral accounts, and a temporary credit of (0.9299) cents/m³ expiring June 30, 2019.
- (3) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.1414 cents/m³ expiring June 30, 2019.
- (4) Prospective Recovery of gas supply deferral accounts.

ENBRIDGE GAS INC.
 Union North
 Summary of Changes to Sales Rates
 Rate 20 - Medium Volume Firm Service

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
1	Monthly Charge	\$860.69		\$860.69
	Delivery Demand Charge			
2	First 70,000 m ³	28.6515		28.6515
3	All over 70,000 m ³	16.8485		16.8485
	Delivery Commodity Charge			
4	First 852,000 m ³	0.5468		0.5468
5	All over 852,000 m ³	0.3927		0.3927
	Carbon Charges			
6	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
7	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
	Monthly Gas Supply Demand Charge			
8	Union North West Zone	56.3643		56.3643
9	Union North East Zone	47.8650		47.8650
10	Gas Supply Demand - Price Adjustment (All Zones)	-		-
	Commodity Transportation 1			
11	Union North West Zone	3.5406		3.5406
12	Union North East Zone	2.2263		2.2263
13	Transportation 1 - Price Adjustment (Union North West)	0.2642 (1)		0.2642 (1)
14	Transportation 1 - Price Adjustment (Union North East)	(1.0416) (1)		(1.0416) (1)
	Commodity Transportation 2			
15	Union North West Zone	-		-
16	Union North East Zone	-		-
	Commodity Cost of Gas and Fuel			
17	Union North West Zone	11.8935		11.8935
18	Union North East Zone	14.8982		14.8982
19	Commodity and Fuel - Price Adjustment (Union North West)	(0.7546) (1)		(0.7546) (1)
20	Commodity and Fuel - Price Adjustment (Union North East)	3.2233 (1)		3.2233 (1)
	Bundled Storage Service (\$/GJ)			
21	Monthly Demand Charge	19.093		19.093
22	Commodity Charge	0.211		0.211
23	Storage Demand - Price Adjustment	-		-

Notes:

(1) Prospective Recovery of gas supply deferral accounts.

ENBRIDGE GAS INC.
 Union North
 Summary of Changes to Sales Rates
 Rate 100 - Large Volume High Load Factor Firm Service

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
1	Monthly Charge	\$1,341.41		\$1,341.41
2	Delivery Demand Charge All Zones	15.0877		15.0877
3	Delivery Commodity Charge All Zones	0.2201		0.2201
	Carbon Charges			
4	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
5	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
6	Monthly Gas Supply Demand Charge Union North West Zone	110.5527		110.5527
7	Union North East Zone	155.6734		155.6734
8	Gas Supply Demand - Price Adjustment (All Zones)	-		-
	Commodity Transportation 1			
9	Union North West Zone	6.2043		6.2043
10	Union North East Zone	8.9067		8.9067
11	Transportation 1 - Price Adjustment (Union North West)	-		-
12	Transportation 1 - Price Adjustment (Union North East)	-		-
	Commodity Transportation 2			
13	Union North West Zone	-		-
14	Union North East Zone	-		-
	Commodity Cost of Gas and Fuel			
15	Union North West Zone	11.8935		11.8935
16	Union North East Zone	14.8982		14.8982
17	Commodity and Fuel - Price Adjustment (Union North West)	(0.7546) (1)		(0.7546) (1)
18	Commodity and Fuel - Price Adjustment (Union North East)	3.2233 (1)		3.2233 (1)
	Bundled Storage Service (\$/GJ)			
19	Monthly Demand Charge	19.093		19.093
20	Commodity Charge	0.211		0.211
21	Storage Demand - Price Adjustment	-		-

Notes:

(1) Prospective Recovery of gas supply deferral accounts.

ENBRIDGE GAS INC.
 Union North
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
1	<u>Rate 25 - Large Volume Interruptible Service</u> Monthly Charge	\$289.76		\$289.76
2	Delivery Charge - All Zones (1) Maximum	5.2855		5.2855
	Carbon Charges			
3	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
4	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
	Gas Supply Charges - All Zones			
5	Minimum	1.4848		1.4848
6	Maximum	675.9484		675.9484

Notes:

(1) Refer to Appendix C.

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
<u>Utility Sales</u>				
1	Commodity and Fuel	15.0040		15.0040
2	Commodity and Fuel - Price Adjustment	3.0355 (1)		3.0355 (1)
3	Transportation	-		-
4	Total Gas Supply Commodity Charge	18.0395	-	18.0395
 <u>M4 Firm Commercial/Industrial</u>				
5	Minimum annual gas supply commodity charge	0.1893		0.1893
 <u>M4 / M5A Interruptible Commercial/Industrial</u>				
6	Minimum annual gas supply commodity charge	0.1893		0.1893
 <u>Storage and Transportation Supplemental Services - Rate T1, Rate T2 & Rate T3</u>				
		<u>\$/GJ</u>		<u>\$/GJ</u>
Monthly demand charges: (\$/GJ)				
7	Firm gas supply service	57.598		57.598
8	Firm backstop gas	1.629		1.629
Commodity charges:				
9	Gas supply	3.882		3.882
10	Backstop gas	4.332	0.003	4.334
11	Reasonable Efforts Backstop Gas	5.361	0.003	5.363
12	Supplemental Inventory	Note (2)		Note (2)
13	Supplemental Gas Sales Service (cents/m ³)	18.1644	0.0103	18.1747
14	Failure to Deliver	2.832	0.003	2.835
15	Discretionary Gas Supply Service (DGSS)	Note (3)		Note (3)

Notes:

- (1) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.4487 cents/m³ expiring June 30, 2019.
- (2) 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.
- (3) Reflects the "back to back" price plus gas supply administration charge.

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
	<u>Rate M1 - Small Volume General Service Rate</u>			
1	Monthly Charge	\$21.00		\$21.00
2	First 100 m ³	5.1102	0.0023	5.1125
3	Next 150 m ³	4.8465	0.0022	4.8487
4	All over 250 m ³	4.1651	0.0019	4.1670
5	Delivery - Price Adjustment (All Volumes)	0.2443 (1)		0.2443 (1)
	Carbon Charges			
6	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
7	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
8	Storage Service	0.7331		0.7331
9	Storage - Price Adjustment	-		-
10	System Expansion Surcharge (if applicable)	23.0000		23.0000
	<u>Rate M2 - Large Volume General Service Rate</u>			
11	Monthly Charge	\$70.00		\$70.00
12	First 1,000 m ³	5.0795	0.0021	5.0816
13	Next 6,000 m ³	4.9837	0.0021	4.9858
14	Next 13,000 m ³	4.8024	0.0020	4.8044
15	All over 20,000 m ³	4.4521	0.0018	4.4539
16	Delivery - Price Adjustment (All Volumes)	(0.1136) (2)		(0.1136) (2)
	Carbon Charges			
17	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
18	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
19	Storage Service	0.6483		0.6483
20	Storage - Price Adjustment	-		-
21	System Expansion Surcharge (if applicable)	23.0000		23.0000

Notes:

- (1) Includes a temporary charge of 0.2716 cents/m³ expiring March 31, 2019, and a temporary credit of (0.0273) cents/m³ expiring June 30, 2019.
 (2) Includes a temporary charge of 0.1127 cents/m³ expiring March 31, 2019, and a temporary credit of (0.2263) cents/m³ expiring June 30, 2019.

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
<u>Rate M4 - Firm comm/ind contract rate</u>				
Monthly demand charge:				
1	First 8,450 m ³	61.6487	0.0320	61.6807
2	Next 19,700 m ³	27.6418	0.0143	27.6561
3	All over 28,150 m ³	23.2229	0.0120	23.2349
Monthly delivery commodity charge:				
4	First block	1.5779	0.0012	1.5791
5	All remaining use	0.6205	0.0005	0.6210
6	Delivery - Price Adjustment (All Volumes)	-		-
Carbon Charges				
7	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
8	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
9	Minimum annual firm delivery commodity charge	1.7672	0.0012	1.7684
<u>Interruptible contracts (1)</u>				
10	Monthly Charge	\$644.34		\$644.34
Daily delivery commodity charge:				
11	2,400 m ³ to 17,000 m ³	3.0532	0.0015	3.0547
12	17,000 m ³ to 30,000 m ³	2.9233	0.0015	2.9248
13	30,000 m ³ to 50,000 m ³	2.8550	0.0015	2.8565
14	50,000 m ³ to 60,000 m ³	2.8071	0.0015	2.8086
15	Delivery - Price Adjustment (All Volumes)	-		-
Carbon Charges				
16	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
17	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
18	Minimum annual interruptible delivery commodity charge	3.2425	0.0015	3.2440
<u>Rate M5A - interruptible comm/ind contract</u>				
<u>Firm contracts (1)</u>				
19	Monthly demand charge	34.4858		34.4858
20	Monthly delivery commodity charge	2.3690	0.0016	2.3706
21	Delivery - Price Adjustment (All Volumes)	-		-
Carbon Charges				
22	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
23	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
<u>Interruptible contracts (1)</u>				
24	Monthly Charge	\$644.34		\$644.34
Daily delivery commodity charge:				
25	2,400 m ³ to 17,000 m ³	3.0532	0.0015	3.0547
26	17,000 m ³ to 30,000 m ³	2.9233	0.0015	2.9248
27	30,000 m ³ to 50,000 m ³	2.8550	0.0015	2.8565
28	50,000 m ³ to 60,000 m ³	2.8071	0.0015	2.8086
29	Delivery - Price Adjustment (All Volumes)	-		-
Carbon Charges				
30	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
31	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
32	Minimum annual interruptible delivery commodity charge	3.2425	0.0015	3.2440

Notes:

(1) Price changes to individual interruptible and seasonal contract rates are provided in Appendix C.

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
<u>Rate M7 - Special large volume contract</u>				
<u>Firm</u>				
1	Monthly demand charge	34.6517		34.6517
2	Monthly delivery commodity charge	0.3674	0.0034	0.3708
3	Delivery - Price Adjustment	-		-
<u>Interruptible (1)</u>				
4	Monthly delivery commodity charge: Maximum	6.4636	0.0034	6.4670
5	Delivery - Price Adjustment	-		-
<u>Seasonal (1)</u>				
6	Monthly delivery commodity charge: Maximum	6.2195	0.0034	6.2229
7	Delivery - Price Adjustment	-		-
<u>Carbon Charges</u>				
8	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
9	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
<u>Rate M9 - Large wholesale service</u>				
10	Monthly demand charge	23.5428		23.5428
11	Monthly delivery commodity charge	0.1825	0.0033	0.1858
12	Delivery - Price Adjustment	-		-
13	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084
<u>Rate M10 - Small wholesale service</u>				
14	Monthly delivery commodity charge	7.1924	0.0033	7.1957
15	Facility Carbon Charge (in addition to Delivery Charge)	-	0.0084	0.0084

Notes:

(1) Price changes to individual interruptible and seasonal contract rates are provided in Appendix C.

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Contract Carriage Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 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	1.482		1.482
3	Customer provides deliverability inventory	1.184		1.184
4	Firm incremental injection	1.184		1.184
5	Interruptible withdrawal	1.184		1.184
Commodity charges:				
6	Withdrawal	0.024		0.024
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.024		0.024
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - customer provides fuel	0.408%		0.408%
<u>Transportation (cents / m³)</u>				
11	Monthly demand charge first 28,150 m ³	40.5921		40.5921
12	Monthly demand charge next 112,720 m ³	28.0445		28.0445
Firm commodity charges:				
13	Union provides compressor fuel - All volumes	0.1539	0.0019	0.1558
14	Customer provides compressor fuel - All volumes	0.1051	0.0019	0.1070
Interruptible commodity charges: (1)				
15	Maximum - Union provides compressor fuel	6.4636	0.0034	6.4670
16	Maximum - customer provides compressor fuel	6.4148	0.0034	6.4182
Carbon Charges				
17	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
18	Facility Carbon Charge (in addition to Transportation Commodity Charge(s))	-	0.0084	0.0084
19	Transportation fuel ratio - customer provides fuel	0.323%		0.323%
<u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges				
20	Injection / Withdrawals	0.091		0.091
21	Customer provides compressor fuel	0.057		0.057
22	Transportation commodity charge (cents/m ³)	1.4884	0.0019	1.4903
23	Customer provides compressor fuel	1.4396	0.0019	1.4415
Carbon Charges				
24	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
25	Facility Carbon Charge (in addition to Transportation Commodity Charge)	-	0.0084	0.0084
26	<u>Monthly Charge</u>	\$1,896.28		\$1,896.28

Notes:

(1) Price changes to individual interruptible contract rates are provided in Appendix C.

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Contract Carriage Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 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	1.482		1.482
3	Customer provides deliverability inventory	1.184		1.184
4	Firm incremental injection	1.184		1.184
5	Interruptible withdrawal	1.184		1.184
Commodity charges:				
6	Withdrawal	0.024		0.024
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.024		0.024
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - customer provides fuel	0.408%		0.408%
<u>Transportation (cents / m³)</u>				
11	Monthly demand charge first 140,870 m ³	32.0198		32.0198
12	Monthly demand charge all over 140,870 m ³	16.9369		16.9369
Firm commodity charges:				
13	Union provides compressor fuel - All volumes	0.0679	0.0011	0.0690
14	Customer provides compressor fuel - All volumes	0.0234	0.0011	0.0245
Interruptible commodity charges: (1)				
15	Maximum - Union provides compressor fuel	6.4636	0.0034	6.4670
16	Maximum - customer provides compressor fuel	6.4191	0.0034	6.4225
Carbon Charges				
17	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
18	Facility Carbon Charge (in addition to Transportation Commodity Charge(s))	-	0.0084	0.0084
19	Transportation fuel ratio - customer provides fuel	0.295%		0.295%
<u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges				
20	Injection / Withdrawals	0.091		0.091
21	Customer provides compressor fuel	0.057		0.057
22	Transportation commodity charge (cents/m ³)	1.1206	0.0011	1.1217
23	Customer provides compressor fuel	1.0761	0.0011	1.0772
Carbon Charges				
24	Federal Carbon Charge (if applicable)	-	3.9100	3.9100
25	Facility Carbon Charge (in addition to Transportation Commodity Charge)	-	0.0084	0.0084
26	<u>Monthly Charge</u>	\$5,440.88		\$5,440.88

Notes:

(1) Price changes to individual interruptible contract rates are provided in Appendix C.

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Contract Carriage Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 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	1.482		1.482
4	Customer provides deliverability inventory	1.184		1.184
5	Firm incremental injection	1.184		1.184
5	Interruptible withdrawal	1.184		1.184
Commodity charges:				
6	Withdrawal	0.024		0.024
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.024		0.024
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - Customer provides fuel	0.408%		0.408%
<u>Transportation (cents / m³)</u>				
11	Monthly demand charge	17.9898		17.9898
12	Union provides compressor fuel - All volumes	0.1191	0.0032	0.1223
13	Customer provides compressor fuel - All volumes	0.0569	0.0032	0.0601
14	Facility Carbon Charge (in addition to Transportation Commodity Charge)	-	0.0084	0.0084
15	Transportation fuel ratio - Customer provides fuel	0.412%		0.412%
<u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges				
16	Injection / Withdrawals	0.091		0.091
17	Customer provides compressor fuel	0.057		0.057
18	Transportation commodity charge (cents/m ³)	0.7105	0.0032	0.7137
19	Customer provides compressor fuel	0.6483	0.0032	0.6515
20	Facility Carbon Charge (in addition to Transportation Commodity Charge)	-	0.0084	0.0084
<u>Monthly Charge</u>				
21	City of Kitchener	\$19,843.96		\$19,843.96
22	Natural Resource Gas	\$3,046.25		\$3,046.25
23	Six Nations	\$1,015.42		\$1,015.42

ENBRIDGE GAS INC.
 Union South
Summary of Changes to Unbundled Rates

Line No.	Particulars (cents/m ³)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 / EB-2018-0205 Proposed April 1, 2019 Rate (c)
	<u>U2 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
	Standard Storage Service (SSS)			
1	Combined Firm Space & Deliverability	0.023		0.023
	Standard Peaking Service (SPS)			
2	Combined Firm Space & Deliverability	0.114		0.114
3	Incremental firm injection right	1.028		1.028
4	Incremental firm withdrawal right	1.028		1.028
	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	0.408%		0.408%
	<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

ENBRIDGE GAS INC.
Union South
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 EB-2018-0205 Proposed April 1, 2019 Rate (c)
<u>M12 Transportation Service</u>				
<u>Firm transportation</u>				
Monthly demand charges:				
1	Dawn to Kirkwall	3.154		3.154
2	Dawn to Parkway	3.716		3.716
3	Kirkwall to Parkway	0.561		0.561
4	F24-T	0.070		0.070
<u>M12-X Firm Transportation</u>				
5	Between Dawn, Kirkwall and Parkway	4.590		4.590
Commodity charges:				
6	Easterly	Note (1)		Note (1)
7	Westerly	Note (1)		Note (1)
8	Facility Carbon Charge (in addition to Commodity Charges)	-	0.002	0.002
9	Parkway (TCPL / EGT) to Parkway (Cons) / Lisgar	Note (1)		Note (1)
<u>Limited Firm/Interruptible</u>				
Monthly demand charges:				
10	Maximum	8.918		8.918
Commodity charges :				
11	Others	Note (1)		Note (1)
<u>Authorized Overrun</u>				
Transportation commodity charges:				
Easterly:				
12	Dawn to Kirkwall - Union supplied fuel	Note (1)		Note (1)
13	Dawn to Parkway - Union supplied fuel	Note (1)		Note (1)
14	Kirkwall to Parkway - Union supplied fuel	Note (1)		Note (1)
15	Dawn to Kirkwall - Shipper supplied fuel	0.104 (1)		0.104 (1)
16	Dawn to Parkway - Shipper supplied fuel	0.122 (1)		0.122 (1)
17	Kirkwall to Parkway - Shipper supplied fuel	0.018 (1)		0.018 (1)
<u>M12-X Firm Transportation</u>				
18	Between Dawn, Kirkwall and Parkway - Union supplied fuel	Note (1)		Note (1)
19	Between Dawn, Kirkwall and Parkway - Shipper supplied fuel	0.151 (1)		0.151 (1)
20	Facility Carbon Charge (in addition to Commodity Charges)	-	0.002	0.002
<u>M13 Transportation of Locally Produced Gas</u>				
21	Monthly fixed charge per customer station	\$957.58		\$957.58
22	Transmission commodity charge to Dawn	0.035		0.035
23	Commodity charge - Union supplies fuel	0.006		0.006
24	Commodity charge - Shipper supplies fuel	Note (2)		Note (2)
25	Facility Carbon Charge (in addition to Commodity Charge)	-	0.002	0.002
26	Authorized Overrun - Union supplies fuel	0.136		0.136
27	Authorized Overrun - Shipper supplies fuel	0.130 (2)		0.130 (2)
28	Facility Carbon Charge (in addition to Authorized Overrun Charge)	-	0.002	0.002

Notes:

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

ENBRIDGE GAS INC.
Union South
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 EB-2018-0205 Proposed April 1, 2019 Rate (c)
<u>M16 Storage Transportation Service</u>				
1	Monthly fixed charge per customer station	\$1,523.40		\$1,523.40
Monthly demand charges:				
2	East of Dawn	0.774		0.774
3	West of Dawn	2.888		2.888
4	Transmission commodity charge to Dawn	0.035		0.035
Transportation Fuel Charges to Dawn:				
5	East of Dawn - Union supplied fuel	0.006		0.006
6	West of Dawn - Union supplied fuel	0.006		0.006
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	0.007		0.007
10	West of Dawn - Union supplied fuel	0.017		0.017
11	East of Dawn - Shipper supplied fuel	Note (1)		Note (1)
12	West of Dawn - Shipper supplied fuel	Note (1)		Note (1)
13	Facility Carbon Charge (in addition to Transportation Fuel Charges)	-	0.002	0.002
<u>Authorized Overrun</u>				
Transportation Fuel Charges to Dawn:				
14	East of Dawn - Union supplied fuel	0.066		0.066
15	West of Dawn - Union supplied fuel	0.136		0.136
16	East of Dawn - Shipper supplied fuel	0.060 (1)		0.060 (1)
17	West of Dawn - Shipper supplied fuel	0.130 (1)		0.130 (1)
Transportation Fuel Charges to Pool :				
18	East of Dawn - Union supplied fuel	0.033		0.033
19	West of Dawn - Union supplied fuel	0.112		0.112
20	East of Dawn - Shipper supplied fuel	0.025 (1)		0.025 (1)
21	West of Dawn - Shipper supplied fuel	0.095 (1)		0.095 (1)
22	Facility Carbon Charge (in addition to Transportation Fuel Charges)	-	0.002	0.002
<u>C1 - Cross Franchise Transportation Service</u>				
<u>Transportation service</u>				
Monthly demand charges:				
23	St. Clair / Bluewater & Dawn	2.888		2.888
24	Ojibway & Dawn	2.888		2.888
25	Parkway to Dawn	0.874		0.874
26	Parkway to Kirkwall	0.874		0.874
27	Kirkwall to Dawn	1.542		1.542
28	Dawn to Kirkwall	3.154		3.154
29	Dawn to Parkway	3.716		3.716
30	Kirkwall to Parkway	0.561		0.561
31	Dawn to Dawn-Vector	0.030		0.030
32	Dawn to Dawn-TCPL	0.139		0.139
Commodity Charges:				
33	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.010		0.010
34	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.008		0.008
35	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.012		0.012
36	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.017		0.017
37	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.006		0.006
38	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.012		0.012
39	Kirkwall to Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.006		0.006
40	Kirkwall to Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.006		0.006
41	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.030		0.030
42	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.012		0.012
43	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.040		0.040
44	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.023		0.023
45	Kirkwall to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.017		0.017
46	Kirkwall to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.016		0.016

Notes:

(1) Plus customer supplied fuel per rate schedule.

ENBRIDGE GAS INC.
Union South
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2018-0315 Approved January 1, 2019 Rate (a)	Rate Change (b)	EB-2018-0187 EB-2018-0205 Proposed April 1, 2019 Rate (c)
<u>C1 - 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)	Note (1)		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)
19	Dawn(Tecumseh), Dawn(Facilities or TCPL), Dawn (Vector) and Dawn (TSLE)	Note (1)		Note (1)
20	Facility Carbon Charge (in addition to Commodity Charges)	-	0.002	0.002
21	Interruptible and Short Term (1 year or less) Firm Transportation: Maximum	75.00		75.00
<u>Authorized Overrun</u>				
Commodity Charges:				
22	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.105		0.105
23	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.103		0.103
24	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.107		0.107
25	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.112		0.112
26	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.152		0.152
27	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.158		0.158
28	Kirkwall to Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.081		0.081
29	Kirkwall to Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.081		0.081
30	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.157		0.157
31	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.140		0.140
32	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.187		0.187
33	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.169		0.169
34	Kirkwall to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.059		0.059
35	Kirkwall to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.059		0.059
36	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.095	(1)	0.095 (1)
37	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.095	(1)	0.095 (1)
38	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.095	(1)	0.095 (1)
39	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.095	(1)	0.095 (1)
40	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.122	(1)	0.122 (1)
41	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.122	(1)	0.122 (1)
42	Kirkwall to Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.051	(1)	0.051 (1)
43	Kirkwall to Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.051	(1)	0.051 (1)
44	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.104	(1)	0.104 (1)
45	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.104	(1)	0.104 (1)
46	Dawn to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.122	(1)	0.122 (1)
47	Dawn to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	0.122	(1)	0.122 (1)
48	Kirkwall to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.018	(1)	0.018 (1)
49	Kirkwall to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	0.018	(1)	0.018 (1)
50	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.001	(1)	0.001 (1)
51	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct . 31)	0.001	(1)	0.001 (1)
52	Dawn to Dawn-TCPL - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.005	(1)	0.005 (1)
53	Dawn to Dawn-TCPL - Shipper supplied fuel (Apr. 1 - Oct . 31)	0.005	(1)	0.005 (1)
54	Facility Carbon Charge (in addition to Commodity Charges)	-	0.002	0.002

Notes:

(1) Plus customer supplied fuel per rate schedule.

ENBRIDGE GAS INC.
UNION NORTH
RATE 01 - SMALL VOLUME GENERAL FIRM SERVICE

ELIGIBILITY

Any customer in Union's North West and North East Zones who is an end user whose total gas requirements at that location are equal to or less than 50,000 m³ 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, Carbon (if applicable) and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TransCanada's system to the Point of Consumption on the customer's premises of natural gas owned by the customer and transported by TransCanada under a firm transportation service tariff or equivalent National Energy Board Order. For this service, the Monthly, Delivery and Carbon (if applicable) 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.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

(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, Delivery and Carbon (if applicable) Charges, as well as the Storage and Transportation Charges of the Gas Supply Charge, shall apply.

MONTHLY RATES AND CHARGES

<u>APPLICABLE TO ALL SERVICES</u>	<u>Union North West</u>	<u>Union North East</u>
<u>MONTHLY CHARGE</u>	\$21.00	\$21.00
<u>DELIVERY CHARGE</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 100 m ³ per month @	9.4319	9.4319
Next 200 m ³ per month @	9.1920	9.1920
Next 200 m ³ per month @	8.8127	8.8127
Next 500 m ³ per month @	8.4645	8.4645
Over 1,000 m ³ per month @	8.1768	8.1768
Delivery-Price Adjustment (All Volumes) (1)	0.2239	0.2239
<u>CARBON CHARGES</u>		
Federal Carbon Charge (if applicable)	3.9100	3.9100
Facility Carbon Charge (in addition to Delivery Charge)	0.0084	0.0084

Notes:

(1) Includes a temporary credit of (0.0391) cents/m³ expiring March 31, 2019, and a temporary charge of 0.2630 cents/m³ expiring June 30, 2019.

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".

SYSTEM EXPANSION SURCHARGE ("SES") (if applicable)

The system expansion surcharge is applied to all volumes consumed for a defined term and is applicable to customers within the following approved community expansion project areas:

<u>Community Expansion Project</u>	<u>SES Rate (¢ per m³)</u>	<u>SES Term Expiry</u>
Prince Township	23.0000	December 31, 2039

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, Delivery and Carbon (if applicable) Charges, plus 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, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION NORTH
RATE 10 - LARGE VOLUME GENERAL FIRM SERVICE

ELIGIBILITY

Any customer in Union's North West and North East Zones who is an end-user whose total firm gas requirements at one or more Company-owned meters at one location exceed 50,000 m³ 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, Carbon (if applicable) and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TransCanada's system to the Point of Consumption on the customer's premises of natural gas owned by the customer and transported by TransCanada under a firm transportation service tariff or equivalent National Energy Board Order. For this service, the Monthly, Delivery and Carbon (if applicable) 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.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

(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, Delivery and Carbon (if applicable) Charges, as well as the Storage and Transportation Charges of the Gas Supply Charge, shall apply.

MONTHLY RATES AND CHARGES

<u>APPLICABLE TO ALL SERVICES</u>	<u>Union North West</u>	<u>Union North East</u>
<u>MONTHLY CHARGE</u>	\$70.00	\$70.00
<u>DELIVERY CHARGE</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 1,000 m ³ per month @	7.9474	7.9474
Next 9,000 m ³ per month @	6.4618	6.4618
Next 20,000 m ³ per month @	5.7910	5.7910
Next 70,000 m ³ per month @	5.2318	5.2318
Over 100,000 m ³ per month @	3.1133	3.1133
Delivery-Price Adjustment (All Volumes) (1)	(0.0018)	(0.0018)
<u>CARBON CHARGES</u>		
Federal Carbon Charge (if applicable)	3.9100	3.9100
Facility Carbon Charge (in addition to Delivery Charge)	0.0084	0.0084

Notes:

(1) Includes a temporary credit of (0.1115) cents/m³ expiring March 31, 2019, and a temporary charge of 0.1097 cents/m³ expiring June 30, 2019.

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".

SYSTEM EXPANSION SURCHARGE ("SES") (if applicable)

The system expansion surcharge is applied to all volumes consumed for a defined term and is applicable to customers within the following approved community expansion project areas:

<u>Community Expansion Project</u>	<u>SES Rate (¢ per m³)</u>	<u>SES Term Expiry</u>
Prince Township	23.0000	December 31, 2039

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 m³ 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, Delivery and Carbon (if applicable) Charges, plus 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, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION NORTH
RATE 20 - MEDIUM VOLUME FIRM SERVICE

ELIGIBILITY

Any customer in Union's North West and North East Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose total maximum daily requirements for firm or combined firm and interruptible service is 14,000 m³ or more.

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, Carbon (if applicable) and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TransCanada's system to the Point of Consumption on the customer's premises of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Carbon (if applicable), Transportation Account and Diversion Transaction 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.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

(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, Delivery, Carbon (if applicable), Gas Supply Demand and Commodity Transportation Charges shall apply.

(d) **Storage Service**

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, bundled and unbundled storage and delivery/redelivery services will be provided.

The charge for Bundled Storage Service will consist of the charges for Transportation Service plus the charges for Bundled Storage Service.

Note: Union has a short-term intermittent gas supply service under Rate 30 of which customers may avail themselves, if they qualify for use of the service.

MONTHLY RATES AND CHARGES

APPLICABLE TO ALL SERVICES – ALL ZONES (1)

<u>MONTHLY CHARGE</u>	\$860.69
<u>DELIVERY CHARGES</u> (cents per month per m ³)	
Monthly Demand Charge for first 70,000 m ³ of Contracted Daily Demand	28.6515
Monthly Demand Charge for all units over 70,000 m ³ of Contracted Daily Demand	16.8485
Commodity Charge for first 852,000 m ³ of gas volumes delivered	0.5468
Commodity Charge for all units over 852,000 m ³ of gas volumes delivered	0.3927
<u>CARBON CHARGES</u>	
Federal Carbon Charge (if applicable)	3.9100
Facility Carbon Charge (in addition to Delivery Charges)	0.0084

Notes:

- (1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.

ADDITIONAL CHARGES FOR SALES SERVICE

Gas Supply Charge

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

Commodity Transportation

Charge 1 applies for all gas volumes delivered in the billing month up to the volume represented by the Contract Demand multiplied by the number of days in the billing month multiplied by 0.4.

Charge 2 applies for all additional gas volumes delivered in the billing month.

HEAT CONTENT ADJUSTMENT

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m³) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m³, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.

COMMISSIONING AND DECOMMISSIONING RATE

The contract may provide that the Monthly Demand Charges specified above shall not apply on all or part of the daily contracted demand used by the customer either during the testing, commissioning and phasing in of gas using equipment or, alternatively, in the decommissioning and phasing out of gas using equipment being displaced by other gas using equipment, for a period not to exceed one year ("the transition period"). To be eligible the new or displaced gas using equipment must be separately meterable. In such event, the contract will provide the following rates that such volume during the transitional period will be charged.

	<u>Union North West</u>	<u>Union North East</u>
<u>MONTHLY CHARGE</u>	\$860.69	\$860.69
<u>DELIVERY CHARGES</u>	<u>cents per m³</u>	<u>cents per m³</u>
Commodity Charge for each unit of gas volumes delivered	2.4307	2.4307
<u>CARBON CHARGES</u>		
Federal Carbon Charge (if applicable)	3.9100	3.9100
Facility Carbon Charge (in addition to Delivery Charges)	0.0084	0.0084

GAS SUPPLY CHARGES

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

ADDITIONAL CHARGES FOR TRANSPORTATION AND STORAGE SERVICES – ALL ZONES

MONTHLY TRANSPORTATION ACCOUNT CHARGE

For customers that currently have installed or will require installing telemetering equipment \$226.76

BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$/GJ/Month) \$19.093

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: (\$/GJ/Month) -

Commodity Charge for each unit of gas withdrawn from storage (\$/GJ) \$0.211

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for withdrawal from storage (\$/GJ) \$0.839

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

DIVERSION TRANSACTION CHARGE

Charge to a customer Receiving Delivery of diverted gas each time such customer requests a diversion and Union provides the service: \$10.00

THE BILL

The bill will equal the sum of the charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation and Storage Services will apply.

MINIMUM BILL

The minimum bill shall be the Monthly Charge, the Transportation Account Charge and the Demand Charges, as applicable.

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

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

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, Delivery, Carbon (if applicable) and Transportation Account Charges, plus 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 billing data of individual end-users to generate a single bill which is less than the sum of the 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, 2019
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Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION NORTH
RATE 25 - LARGE VOLUME INTERRUPTIBLE SERVICE

ELIGIBILITY

Any customer in Union's North West and North East Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose total maximum daily interruptible requirement is 3,000 m³ or more or the interruptible portion of a maximum daily requirement for combined firm and interruptible service is 14,000 m³ or more and whose operations, in the judgement of Union, can readily accept interruption and restoration of gas service.

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, Carbon (if applicable) and Gas Supply Charges shall apply.

(b) **Transportation Service**

For delivery of natural gas owned by the customer on Union's distribution system from the Point of Receipt from TransCanada's system to the Point of Consumption on the customer's or end-user's premises, providing that, in the judgement of Union, acting reasonably, the customer-owned gas does not displace service from Union under a Rate 20 or Rate 100 contract specific to that location. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Carbon (if applicable), Transportation Account and Diversion Transaction Charges shall apply.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

NOTE: Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.

MONTHLY RATES AND CHARGES

APPLICABLE TO ALL SERVICES – ALL ZONES (1)

<u>MONTHLY CHARGE</u>	\$289.76
<u>DELIVERY CHARGES</u>	<u>cents per m³</u>
A Delivery Price for all volumes delivered to the customer to be negotiated between Union and the customer and the average price during the period in which these rates remain in effect shall not exceed:	5.2855
<u>CARBON CHARGES</u>	
Federal Carbon Charge (if applicable)	3.9100
Facility Carbon Charge (in addition to Delivery Charges)	0.0084
<u>UNAUTHORIZED OVERRUN NON - COMPLIANCE RATE</u>	<u>cents per m³</u>
Unauthorized overrun gas taken any month during a period when a notice of interruption is in effect.	233.3400

Notes:

- (1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.

ADDITIONAL CHARGES FOR SALES SERVICE

Gas Supply Charge

As per applicable rate provided in Schedule "A".

Interruptible Service

Applicable all year at a price agreed upon between Union and the customer and the average price during the period in which these rates remain in effect.

HEAT CONTENT ADJUSTMENT

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m³) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m³, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.

ADDITIONAL CHARGES FOR TRANSPORTATION – ALL ZONES

MONTHLY TRANSPORTATION ACCOUNT CHARGE:

For customers that currently have installed or will require installing telemetering equipment.

\$226.76

THE BILL

The bill will equal the sum of the monthly charges for all services selected plus the rates multiplied by the applicable gas volumes delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation will apply.

MINIMUM BILL

The minimum bill shall be the Monthly Charge and the Transportation Account Charge, if applicable.

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

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

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, Delivery, Carbon (if applicable) and Transportation Account Charges, plus 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, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the volumes 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 volumes 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, 2019
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ENBRIDGE GAS INC.
UNION NORTH
RATE 30 - INTERMITTENT GAS SUPPLY SERVICE AND SHORT TERM STORAGE / BALANCING SERVICE

ELIGIBILITY

Any customer in Union's North West and North East Zones already connected to Union's gas distribution system who is an end-user or is authorized to serve an end-user.

SERVICE AVAILABLE

For intermittent, short-term gas supply which will be a substitute for energy forms other than Company owned gas sold under other rate schedules. This may include situations where customer-owned gas supplies are inadequate and short-term backstopping service is requested or during a situation of curtailment on the basis of price when the purchase price of Spot gas is outside the interruptible service price range. The gas supply service available hereunder is offered only in conjunction with service to the customer under an applicable firm or interruptible service rate schedule of Union. The service is for intermittent gas supply and short term storage / balancing service and will be billed in combination with Monthly, Delivery, and other applicable charges for such services under the applicable rate schedule. Gas supply under this rate will be provided when, at the sole discretion of Union, adequate supplies are available.

GAS SUPPLY CHARGE

The gas supply charge shall be \$5.00 per 10³m³ plus the greater of the incremental cost of gas for Union and the customer's gas supply charge.

SHORT TERM STORAGE / BALANCING SERVICE

Short Term Storage / Balancing Service is:

- i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
- ii) short-term firm deliverability, OR
- iii) a component of an operational balancing service offered.

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

- i) the minimum amount of storage service to which a customer is willing to commit,
- ii) whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) utilization of facilities, and
- iv) competition.

A commodity charge to be negotiated between Union and the customer not to exceed \$6.000/GJ.

THE BILL

The bill for gas supply and/or short term supplemental services under this rate shall be rendered in conjunction with the billing for delivery and other services under the customer's applicable rate for such services.

SERVICE AGREEMENT

All customers must enter into a Service Agreement with Union for this service and must agree therein to curtail or interrupt use of gas under this rate schedule whenever requested to do so by Union.

TERMS AND CONDITIONS OF SERVICE

1. Failure of the customer to interrupt or curtail use of gas on this rate as requested by Union shall be subject to the Unauthorized Overrun Gas Penalty as provided in Union's Terms and Conditions. Anytime the customer has such failure, Union reserves the right to cancel service under this rate.
2. The Terms and Conditions of the applicable rate schedule for delivery of the gas sold hereunder shall also apply.
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.

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Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION NORTH
RATE 100 – LARGE VOLUME HIGH LOAD FACTOR FIRM SERVICE

ELIGIBILITY

Any customer in Union's North West and North East Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose maximum daily requirement for firm service is 100,000 m³ or more, and whose annual requirement for firm service is equal to or greater than its maximum daily requirement multiplied by 256.

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, Carbon (if applicable) and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TransCanada's system to the Point of Consumption on the customer's premises of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Carbon (if applicable), Transportation Account and Diversion Transaction 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.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

(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, Delivery, Carbon (if applicable), Gas Supply Demand and Commodity Transportation Charges shall apply.

(d) **Storage Service**

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, bundled and unbundled storage and delivery/redelivery services will be provided.

The charge for Bundled Storage Service will consist of the charges for Transportation Service plus the charges for Bundled Storage Service.

NOTE: Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.

MONTHLY RATES AND CHARGES

APPLICABLE TO ALL SERVICES – ALL ZONES (1)

<u>MONTHLY CHARGE</u>	\$1,341.41
<u>DELIVERY CHARGES</u> (cents per Month per m ³ of Daily Contract Demand) Monthly Demand Charge for each unit of Contracted Daily Demand	15.0877
Commodity Charge for each unit of gas volumes delivered (cents/m ³)	0.2201
<u>CARBON CHARGES</u>	
Federal Carbon Charge (if applicable)	3.9100
Facility Carbon Charge (in addition to Delivery Charges)	0.0084

Notes:

- (1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.

ADDITIONAL CHARGES FOR SALES SERVICE

Gas Supply Charges

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

Commodity Transportation

Charge 1 applies for all gas volumes delivered in the billing month up to the volume represented by the Contract Demand multiplied by the number of days in the billing month multiplied by 0.3.

Charge 2 applies for all additional gas volumes delivered in the billing month.

HEAT CONTENT ADJUSTMENT

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m³) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m³, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.

COMMISSIONING AND DECOMMISSIONING RATE

The contract may provide that the Monthly Demand Charges specified above shall not apply on all or part of the daily contracted demand used by the customer either during the testing, commissioning and phasing in of gas using equipment or, alternatively, in the decommissioning and phasing out of gas using equipment being displaced by other gas using equipment, for a period not to exceed one year ("the transitional period"). To be eligible the new or displaced gas using equipment must be separately meterable. In such event, the contract will provide the following rates that such volume during the transitional period will be charged.

	<u>Union North West</u>	<u>Union North East</u>
<u>MONTHLY CHARGE</u>	\$1,341.41	\$1,341.41
<u>DELIVERY CHARGES (cents per m³)</u>		
Commodity Charge for each unit of gas volumes delivered	0.9287	0.9287
<u>CARBON CHARGES</u>		
Federal Carbon Charge (if applicable)	3.9100	3.9100
Facility Carbon Charge (in addition to Delivery Charges)	0.0084	0.0084

GAS SUPPLY CHARGES

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

ADDITIONAL CHARGES FOR TRANSPORTATION AND STORAGE SERVICES – ALL ZONES

MONTHLY TRANSPORTATION ACCOUNT CHARGE

For customers that currently have installed or will require installing telemetering equipment \$226.76

BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$/GJ/Month) \$19.093

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: (\$/GJ/Month) -

Commodity Charge for each unit of gas withdrawn from storage (\$/GJ) \$0.211

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for withdrawal from storage (\$/GJ) \$0.839

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

DIVERSION TRANSACTION CHARGE

Charge to a customer Receiving Delivery of diverted gas each time such customer requests a diversion and Union provides the service: \$10.00

THE BILL

The bill will equal the sum of the charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation and Storage Services will apply.

MINIMUM BILL

The minimum bill shall be the Monthly Charge, the Transportation Account Charge and the Demand Charges, as applicable.

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

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

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, Delivery, Carbon (if applicable) and Transportation Account Charges, plus 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 billing data of individual end-users to generate a single bill which is less than the sum of the 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, 2019
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Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION NORTH
GAS SUPPLY CHARGES

(A) Availability

Available to customers in Union's North West and North East Delivery Zones.

(B) Applicability:

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

(C) Rates

<u>Utility Sales</u>	<u>Union</u> <u>North West</u>	<u>Union</u> <u>North East</u>
<u>Rate 01A (cents / m³)</u>		
Storage	2.2094	6.3957
Storage - Price Adjustment	-	-
Commodity and Fuel (1)	12.2024	15.2864
Commodity and Fuel - Price Adjustment (2)	(0.7546)	3.2233
Transportation	6.7031	2.7635
Transportation - Price Adjustment	(1.0393) (3)	(0.8601) (4)
Total Gas Supply Charge	<u>19.3210</u>	<u>26.8088</u>
<u>Rate 10 (cents / m³)</u>		
Storage	1.6685	4.5568
Storage - Price Adjustment	-	-
Commodity and Fuel (1)	12.2024	15.2864
Commodity and Fuel - Price Adjustment (2)	(0.7546)	3.2233
Transportation	5.8713	2.5335
Transportation - Price Adjustment	(0.6656) (5)	(0.9001) (6)
Total Gas Supply Charge	<u>18.3220</u>	<u>24.6999</u>

Notes:

- (1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1893 cents/m³.
- (2) Prospective Recovery of gas supply deferral accounts.
- (3) Prospective Recovery of gas supply deferral accounts, and a temporary credit of (1.3036) cents/m³ expiring June 30, 2019.
- (4) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.1814 cents/m³ expiring June 30, 2019.
- (5) Prospective Recovery of gas supply deferral accounts, and a temporary credit of (0.9299) cents/m³ expiring June 30, 2019.
- (6) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.1414 cents/m³ expiring June 30, 2019.

ENBRIDGE GAS INC.
UNION NORTH
GAS SUPPLY CHARGES

Utility Sales

<u>Rate 20 (cents / m³)</u>	<u>Union North West</u>	<u>Union North East</u>
Commodity and Fuel (1)	11.8935	14.8982
Commodity and Fuel - Price Adjustment (2)	(0.7546)	3.2233
Commodity Transportation - Charge 1	3.5406	2.2263
Transportation 1 - Price Adjustment (2)	0.2642	(1.0416)
Commodity Transportation - Charge 2	-	-
Monthly Gas Supply Demand	56.3643	47.8650
Gas Supply Demand - Price Adjustment	-	-
Commissioning and Decommissioning Rate	6.7500	4.0950

Rate 100 (cents / m³)

Commodity and Fuel (1)	11.8935	14.8982
Commodity and Fuel - Price Adjustment (2)	(0.7546)	3.2233
Commodity Transportation - Charge 1	6.2043	8.9067
Commodity Transportation - Charge 2	-	-
Monthly Gas Supply Demand	110.5527	155.6734
Commissioning and Decommissioning Rate	7.8513	11.1286

Rate 25 (cents / m³)

Gas Supply Charge:		
Interruptible Service	1.4848	1.4848
Minimum	675.9484	675.9484
Maximum		

Natural Gas Liquefaction Service (\$ / GJ) (3)

Gas Supply Charge:		
Interruptible Service		
Minimum		0.3919
Maximum		178.3976

Notes:

- (1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1893 cents/m³.
- (2) Prospective Recovery of gas supply deferral accounts.
- (3) Billing in energy (\$/GJ) will only apply to the Natural Gas Liquefaction Service.

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Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
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 m³ 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 ³	5.1125 ¢ per m ³
Next	150 m ³	4.8487 ¢ per m ³
All Over	250 m ³	4.1670 ¢ per m ³
Delivery - Price Adjustment (All Volumes) (1)		0.2443 ¢ per m ³
c) Carbon Charges		
Federal Carbon Charge (if applicable)		3.9100 ¢ per m ³
Facility Carbon Charge (in addition to Delivery Charge)		0.0084 ¢ per m ³
d) Storage Charge (if applicable)		0.7331 ¢ per m ³
Storage - Price Adjustment (All Volumes)		- ¢ per m ³

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

e) 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".

f) System Expansion Surcharge ("SES") (if applicable)

The system expansion surcharge is applied to all volumes consumed for a defined term and is applicable to customers within the following approved community expansion project areas:

<u>Community Expansion Project</u>	<u>SES Rate (¢ per m³)</u>	<u>SES Term Expiry</u>
Kettle and Stony Point First Nation and Lambton Shores	23.0000	December 31, 2029
Milverton, Rostock and Wartburg	23.0000	December 31, 2032
Delaware Nation of Moraviantown First Nation	23.0000	December 31, 2057

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

Notes:

(1) Includes a temporary charge of 0.2716 cents/m³ expiring March 31, 2019, and a temporary charge of (0.0273) cents/m³ expiring June 30, 2019.

(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 for the identified delivery charge plus facility carbon charge and if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³.

Overrun Delivery Charge	5.8456	¢ per m ³
Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Overrun Delivery Charge)	0.0084	¢ per m ³

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

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
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 m³ 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 ³		5.0816	¢ per m ³
Next	6 000 m ³		4.9858	¢ per m ³
Next	13 000 m ³		4.8044	¢ per m ³
All Over	20 000 m ³		4.4539	¢ per m ³

Delivery – Price Adjustment (All Volumes) (1) (0.1136) ¢ per m³

c) Carbon Charges

Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Delivery Charge)	0.0084	¢ per m ³

d) Storage Charge (if applicable) 0.6483 ¢ per m³

Storage - Price Adjustment (All Volumes) - ¢ per m³

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

e) 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".

f) System Expansion Surcharge ("SES") (if applicable)

The system expansion surcharge is applied to all volumes consumed for a defined term and is applicable to customers within the following approved community expansion project areas:

<u>Community Expansion Project</u>	<u>SES Rate (¢ per m³)</u>	<u>SES Term Expiry</u>
Kettle and Stony Point First Nation and Lambton Shores	23.0000	December 31, 2029
Milverton, Rostock and Wartburg	23.0000	December 31, 2032
Delaware Nation of Moraviantown First Nation	23.0000	December 31, 2057

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

Notes:

(1) Includes a temporary charge of 0.1127 cents/m³ expiring March 31, 2019, and a temporary charge of (0.2263) cents/m³ expiring June 30, 2019.

(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 for the identified delivery charge plus facility carbon charge and if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³.

Overrun Delivery Charge	5.7299	¢ per m ³
Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Overrun Delivery Charge)	0.0084	¢ per m ³

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

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
FIRM INDUSTRIAL AND COMMERCIAL CONTRACT RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a daily contracted demand between 2 400 m³ and 60 000 m³.

(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.

1. Bills will be rendered monthly and shall be the total of:

(i) A Monthly Demand Charge

First	8 450 m ³ of daily contracted demand	61.6807	¢ per m ³
Next	19 700 m ³ of daily contracted demand	27.6561	¢ per m ³
All Over	28 150 m ³ of daily contracted demand	23.2349	¢ per m ³

(ii) A Monthly Delivery Commodity Charge

First 422 250 m ³ delivered per month		1.5791	¢ per m ³
Next volume equal to 15 days use of daily contracted demand		1.5791	¢ per m ³
For remainder of volumes delivered in the month		0.6210	¢ per m ³

Delivery - Price Adjustment (All Volumes)		-	¢ per m ³
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(iii) Carbon Charges

Federal Carbon Charge (if applicable)		3.9100	¢ per m ³
Facility Carbon Charge (in addition to Delivery Charge)		0.0084	¢ per m ³

(iv) 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".

2. Overrun Charge

Authorized overrun gas is available provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 103% of contracted daily demand. Authorized overrun will be available April 1 through October 31 at the identified authorized overrun delivery charge plus the facility carbon charge and, if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³ for all volumes purchased.

Unauthorized overrun gas taken in any month shall be paid for at the identified unauthorized overrun charge plus the facility carbon charge and if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³ for all gas supply volumes purchased.

Authorized Overrun Delivery Charge		3.6070	¢ per m ³
Unauthorized Overrun Delivery Charge		5.8456	¢ per m ³
Federal Carbon Charge (if applicable)		3.9100	¢ per m ³
Facility Carbon Charge (in addition to Overrun Delivery Charge)		0.0084	¢ per m ³

3. Firm Minimum Annual Charge

In each contract year, the customer shall purchase from Union or pay for a minimum volume of gas or transportation services equivalent to 146 days use of firm contracted demand. Overrun gas volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume the customer shall pay an amount equal to the deficiency from the minimum volume times the identified firm minimum annual delivery charge and, if applicable a gas supply commodity charge provided in Schedule "A".

Firm Minimum Annual Delivery Charge	1.7684	¢ per m ³
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In the event that the contract period exceeds one year the annual minimum volume will be prorated for any part year.

4. Interruptible Service

Union may agree, in its sole discretion, to combine a firm service with an interruptible service provided that the amount of interruptible volume to be delivered and agreed upon by Union and the customer shall be no less than 350,000 m³ per year.

The price of all gas delivered by Union pursuant to any contract, contract amendment, or contract renewal shall be determined on the basis of the following schedules:

a) (i) Monthly Delivery Commodity Charge

<u>Daily Contracted Demand Level (CD)</u>		
2 400 m ³ ≤ CD < 17 000 m ³	3.0547	¢ per m ³
17 000 m ³ ≤ CD < 30 000 m ³	2.9248	¢ per m ³
30 000 m ³ ≤ CD < 50 000 m ³	2.8565	¢ per m ³
50 000 m ³ ≤ CD ≤ 60 000 m ³	2.8086	¢ per m ³

Delivery - Price Adjustment (All Volumes)	-	¢ per m ³
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(ii) Carbon Charges

Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Delivery Charge)	0.0084	¢ per m ³

(iii) Days Use of Interruptible Contract Demand

The price determined under Paragraph 4(a) of "Rates" will be reduced by the amount based on the number of Days Use of Contracted Demand as scheduled below:

For 75 days use of contracted demand	0.0530	¢ per m ³
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212	¢ per m ³

(iv) 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".

(v) Monthly Charge	\$644.34	per month
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- b) In each contract year, the customer shall take delivery from Union, or in any event pay for, if available and not accepted by the customer, a minimum volume of gas or transportation services as specified in the contract between the parties and which will not be less than 350 000 m³ per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times the identified interruptible minimum annual delivery charge, and if applicable, a gas supply charge provided in Schedule "A".

In the event that the contract period exceeds one year, the annual minimum volume will be prorated for any part year.

Interruptible Minimum Annual Delivery Charge	3.2440	¢ per m ³
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- c) Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 105% of contracted daily demand.

Unauthorized overrun gas taken in any month shall be paid for at the identified unauthorized overrun delivery charge plus the facility carbon charge and if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³ for all gas supply volumes purchased.

Unauthorized Overrun Delivery Charge	5.8456	¢ per m ³
Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Overrun Delivery Charge)	0.0084	¢ per m ³

Unauthorized Overrun Non-Compliance Rate:

Unauthorized overrun gas taken any month during a period when a notice of interruption is in effect shall be paid for at the rate of 233.3400 ¢ per m³ (\$60 per GJ) for the delivery.

(D) 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.

(E) 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 for all volumes. 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.

(F) 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.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
INTERRUPTIBLE INDUSTRIAL AND COMMERCIAL CONTRACT RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a daily contracted demand between 2 400 m³ and 60 000 m³ inclusive.

(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.

1. Interruptible Service

The price of all gas delivered by Union pursuant to any contract, contract amendment, or contract renewal shall be determined on the basis of the following schedules:

a) (i) Monthly Delivery Commodity Charge

Daily Contracted Demand Level (CD)

2 400 m ³ ≤ CD < 17 000 m ³	3.0547	¢ per m ³
17 000 m ³ ≤ CD < 30 000 m ³	2.9248	¢ per m ³
30 000 m ³ ≤ CD < 50 000 m ³	2.8565	¢ per m ³
50 000 m ³ ≤ CD ≤ 60 000 m ³	2.8086	¢ per m ³

Delivery - Price Adjustment (All Volumes)	-	¢ per m ³
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(ii) Carbon Charges

Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Delivery Charge)	0.0084	¢ per m ³

(iii) Days Use of Interruptible Contract Demand

The price determined under Paragraph 1(a) of "Rates" will be reduced by the amount based on the number of Days Use of Contracted Demand as scheduled below:

For 75 days use of contracted demand	0.0530	¢ per m ³
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212	¢ per m ³

(iv) 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".

(v) Monthly Charge	\$644.34	per month
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2. In each contract year, the customer shall take delivery from Union, or in any event pay for, if available and not accepted by the customer, a minimum volume of gas or transportation services as specified in the contract between the parties and which will not be less than 350 000 m³ per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times the identified interruptible minimum annual delivery charge, and if applicable, a gas supply charge provided in Schedule "A".

In the event that the contract period exceeds one year, the annual minimum volume will be prorated for any part year.

Interruptible Minimum Annual Delivery Charge	3.2440	¢ per m ³
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3. Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 105% of contracted daily demand.

Unauthorized overrun gas taken in any month shall be paid for at the identified unauthorized overrun delivery charge plus the facility carbon charge and if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³ for all gas supply volumes purchased.

Unauthorized Overrun Delivery Charge	5.8456	¢ per m ³
Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Overrun Delivery Charge)	0.0084	¢ per m ³

Unauthorized Overrun Non-Compliance Rate:

Unauthorized overrun gas taken any month during a period when a notice of interruption is in effect shall be paid for at the rate of 233.3400 ¢ per m³ (\$60 per GJ) for the delivery.

4. Non-Interruptible Service

Union may agree, in its sole discretion, to combine an interruptible service with a firm service in which case the amount of firm daily demand to be delivered shall be agreed upon by Union and the customer.

- a) The monthly demand charge for firm daily deliveries will be 34.4858 ¢ per m³.
- b) The commodity charge for firm service shall be the rate for firm service at Union's firm rates net of a monthly demand charge of 34.4858 ¢ per m³ of daily contracted demand. The commodity charge includes the facility carbon charge related to the firm service.
- c) The interruptible commodity charge will be established under Clause 1 of this schedule.
- d) The federal carbon charge of 3.9100 ¢ per m³, if applicable.

(D) 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.

(E) 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.

(F) 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.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
SPECIAL LARGE VOLUME INDUSTRIAL AND COMMERCIAL CONTRACT RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a Customer

- a) who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a combined maximum daily requirement for firm, interruptible and seasonal service of at least 60 000 m³; and
- b) who has site specific energy measuring equipment that will be used in determining energy balances.

(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.

1. Bills will be rendered monthly and shall be the total of:

(i) A Monthly Demand Charge

A negotiated Monthly Demand Charge for each m³ of daily contracted firm demand up to 34.6517 ¢ per m³

(ii) A Monthly Delivery Commodity Charge

(1) A Monthly Firm Delivery Commodity Charge for all firm volumes of 0.3708 ¢ per m³
and a Delivery - Price Adjustment of - ¢ per m³

(2) A Monthly Interruptible Delivery Commodity Charge for all interruptible volumes to be negotiated between Union and the customer not to exceed an annual average of 6.4670 ¢ per m³
and a Delivery - Price Adjustment of - ¢ per m³

(3) A Monthly Seasonal Delivery Commodity Charge for all seasonal volumes to be negotiated between Union and the customer not to exceed an annual average of 6.2229 ¢ per m³
and a Delivery - Price Adjustment of - ¢ per m³

(ii) Carbon Charges

Federal Carbon Charge (if applicable) 3.9100 ¢ per m³
Facility Carbon Charge (in addition to Delivery Charge) 0.0084 ¢ per m³

(iii) 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".

(iv) Overrun Gas

Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization.

Unauthorized overrun gas taken in any month shall be paid for at the M1 rate in effect at the time the overrun occurs, including the identified facility carbon charge, and if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³ for all the gas supply volumes purchased.

Federal Carbon Charge (if applicable) 3.9100 ¢ per m³
Facility Carbon Charge (in addition to Overrun Delivery Charge) 0.0084 ¢ per m³

Unauthorized Overrun Non-Compliance Rate:

Unauthorized overrun gas taken any month during a period when a notice of interruption is in effect shall be paid for at the rate of 233.3400 ¢ per m³ (\$60 per GJ) for the delivery.

2. In negotiating the Monthly Interruptible and Seasonal Commodity Charges, the matters to be considered include:
 - (a) The volume of gas for which the customer is willing to contract,
 - (b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for,
 - (c) Interruptible or curtailment provisions, and
 - (d) Competition.
3. In each contract year, the customer shall take delivery from Union, or in any event, pay for if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun gas volumes will not contribute to the minimum volume.
4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the "transition period"). In such event, the contract will provide for a Monthly Delivery Commodity Charge to be applied on such volume during the transition at the identified commissioning and decommissioning rate plus the facility carbon charge and if applicable, the identified federal carbon charge and the total gas supply charge for utility sales provided in Schedule "A" per m³.

Commissioning and Decommissioning Rate	4.6382	¢ per m ³
Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Commissioning and Decommissioning Rate)	0.0084	¢ per m ³

5. Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

(D) 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.

(E) 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.

(F) Bundled Direct Purchase Delivery and Short Term Supplemental Services

Where a customer elects transportation service and/or a short term supplemental service under this rate schedule, the customer must enter into a Contract under rate schedule R1.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
LARGE WHOLESALE SERVICE RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a distributor who enters into a contract to purchase and/or receive delivery of a firm supply of gas for distribution to its customers and who agrees to take or pay for an annual quantity of at least two million cubic metres.

(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.

(i) A Monthly Demand Charge of established daily demand determined in accordance with the service contract, such demand charge to be computed on a calendar month basis and a pro-rata charge to be made for the fraction of a calendar month which will occur if the day of first regular delivery does not fall on the first day of a month. 23.5428 ¢ per m³

(ii) A Delivery Commodity Charge for gas delivered of 0.1858 ¢ per m³
and a Delivery - Price Adjustment of - ¢ per m³

(iii) Facility Carbon Charge (in addition to Delivery Commodity Charge) 0.0084 ¢ per m³ |

(iv) 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".

(D) 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.

(E) 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.

(F) Overrun Charge

Authorized:

For all quantities on any day in excess of 103% of the customer's contractual rights, for which authorization has been received, the customer will be charged at the identified authorized overrun delivery charge plus the facility carbon charge. Overrun will be authorized by Union at its sole discretion.

Unauthorized:

For all quantities on any day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged at the identified unauthorized overrun delivery charge plus the facility carbon charge.

Authorized Overrun Delivery Charge	0.9598 ¢ per m ³
Unauthorized Overrun Delivery Charge	36.0000 ¢ per m ³
Facility Carbon Charge (in addition to Overrun Delivery Charge)	0.0084 ¢ per m ³

(G) 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.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
SMALL WHOLESale SERVICE RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a non-contract distributor who purchases and/or receives delivery of a firm supply of gas for distribution only to its own customers.

(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.

- | | |
|---|-----------------------------|
| 1. A Delivery Commodity Charge of | 7.1957 ¢ per m ³ |
| 2. Facility Carbon Charge (in addition to Delivery Commodity Charge) of | 0.0084 ¢ per m ³ |
| 3. 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".

(D) 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.

(E) 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 must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(F) 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. This gas shall be paid for at the identified unauthorized overrun delivery charge plus the facility carbon charge and if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³ for all gas supply volumes purchased.

- | | |
|---|-----------------------------|
| Unauthorized Overrun Delivery Charge | 5.8456 ¢ per m ³ |
| Facility Carbon Charge (in addition to Overrun Delivery Charge) | 0.0084 ¢ per m ³ |

(G) 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.

Effective April 1, 2019
Implemented April 1, 2019
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Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
BUNDLED DIRECT PURCHASE CONTRACT RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer who enters into a Receipt Contract or Gas Purchase Contract for delivery and/or sale of gas to Union.

(C) Rates

	<u>Demand Charge Rate/GJ/month</u>	<u>Commodity Charges/Credits Rate/GJ</u>
a) Transportation by Union For gas delivered to Union at any point other than the Ontario Point(s) of Receipt, Union will charge a customer all approved tolls and charges, incurred by Union to transport the gas to the Ontario		
b) Firm Backstop Gas Applied to the contracted Firm Backstop Gas Supply Service	\$1.629	
Backstop Gas Commodity Charge On all quantities supplied by Union to the Ontario Point(s) of Receipt		\$4.334
c) Reasonable Efforts Backstop Gas Paid on all quantities of gas supplied by Union to the customer's Point(s) of Consumption		\$5.363
d) Banked Gas Purchase T-service		Note (1)
e) Failure to Deliver Applied to all quantities not delivered to Union in the event the customer's supply fails		\$2.835
f) Short Term Storage / Balancing Service (2) Maximum		\$6.000
g) Discretionary Gas Supply Service ("DGSS")		Note (3)
h) Parkway Delivery Commitment Incentive ("PDCI")		\$(0.152)

Notes:

(1) The charge for banked gas purchases shall be the higher of the daily spot 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.

(2) Short Term Storage / Balancing Service is:

- i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
- ii) short-term firm deliverability, OR
- iii) a component of an operational balancing service offered.

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

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities, and
- iv) Competition.

(3) Discretionary Gas Supply Service price reflects the "back-to-back" price plus gas supply administration charge.

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Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
STORAGE AND TRANSPORTATION RATES FOR CONTRACT CARRIAGE CUSTOMERS

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer:

- a) whose qualifying annual transportation volume for combined firm and interruptible service is at least 2 500 000 m³ or greater and has a daily firm contracted demand up to 140,870 m³; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for use at facilities located within Union's gas franchise area; and
- c) who has meters with electronic recording at each Point of Consumption; and
- d) who has site specific energy measuring equipment that will be used in determining energy balances; and
- e) for whom Union has determined transportation and/or storage capacity is available.

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.

(C) Rates

The following rates shall be charged for all quantities contracted or handled as appropriate. 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.

STORAGE SERVICE:

	<u>Demand Charge Rate/GJ/mo</u>	<u>Commodity Charge Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
a) Annual Firm Storage Space Applied to contracted Maximum Annual Storage Space	\$0.011			
b) Annual Firm Injection/Withdrawal Right: Applied to the contracted Maximum Annual Firm Injection/Withdrawal Right Union provides deliverability Inventory	\$1.482			
Customer provides deliverability Inventory (4)	\$1.184			
c) Incremental Firm Injection Right: Applied to the contracted Maximum Incremental Firm Injection Right	\$1.184			
d) Annual Interruptible Withdrawal Right: Applied to the contracted Maximum Annual Interruptible Withdrawal Right	\$1.184			

	<u>Demand Charge Rate/GJ/mo</u>	<u>Commodity Charge Rate/GJ</u>	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
<u>For Customers Providing Their Own Compressor Fuel</u>				
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum				
Daily Storage Withdrawal Quantity		\$0.024	0.408%	\$0.008
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		\$0.024	0.408%	\$0.008
g) Short Term Storage / Balancing Service Maximum		\$6.000		

Notes:

1. Demand charges for Annual Services are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Annual Firm Injection Rights are equal to 100% of their respective Annual Firm Withdrawal Rights. Injection Rights in excess of the Annual Firm Injection Rights will be charged at the Incremental Firm Injection Right.
3. Annual Firm Storage Space

The maximum storage space available to a customer at the rates specified herein is determined by one of the following storage allocation methodologies:

3.1 Aggregate Excess

Aggregate excess is the difference between the customer's total 151-day winter consumption (November 1 through March 31) and the customer's average daily consumption (Daily Contract Quantity) for the contract year multiplied by 151 days of winter. This calculation will be done using two years of historical data (with 25% weighting for each year) and one year of forecast data (with 50% weighting). If a customer is new, or an existing customer is undergoing a significant change in operations, the allocation will be based on forecast consumption only, as negotiated between Union and the customer. Once sufficient historical information is available for the customer, the standard calculation will be done. At each contract renewal, the aggregate excess calculation will be performed to set the new space allocation.

3.2 Obligated daily contract quantity multiple of 15

Obligated daily contract quantity is the firm daily quantity of gas which the customer must deliver to Union. The 15 x obligated daily contract quantity calculation will be done using the daily contract quantity for the upcoming contract year. At each contract renewal, the 15 x obligated daily contract quantity calculation will be performed to set the new space allocation.

Customers may contract for less than their maximum entitlement of firm storage space.

4. Annual Injection/Withdrawal Right

The maximum level of deliverability available to a customer at the rates specified herein is determined by one of the following methodologies:

- 4.1 The greater of obligated daily contract quantity or firm daily contract demand less obligated daily contract quantity.

Customers may contract for less than their maximum entitlement of deliverability. A customer may contract up to this maximum entitlement with a combination of firm and interruptible deliverability as specified in Section (C) Storage Service.

5. Additional storage space or deliverability, in excess of the allocated entitlements per Notes 3 and 4, may be available at market prices.
6. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.

7. Deliverability Inventory being defined as 20% of annual storage space.
8. Short Term Storage / Balancing Service is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, or
 - ii) short-term firm deliverability, or
 - iii) a component of an operational balancing service offered.

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

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities, and
- iv) Competition.

TRANSPORTATION CHARGES:

	Demand Charge	Union Providing Compressor Fuel	For Customers Providing Their Own Compressor Fuel	
		Commodity Charge	Fuel Ratio (5)	Commodity Charge
	<u>Rate/m³/mo</u>	<u>Rate/m³</u>		<u>Rate/m³</u>
a) Annual Firm Transportation I Applied to the Firm Daily Contract Demand				
First 28,150 m ³ per month	40.5921 ¢			
Next 112,720 m ³ per month	28.0445 ¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the customer's Point(s) of Consumption Commodity Charge (All volumes)		0.1558 ¢	0.323%	0.1070 ¢
c) Interruptible Transportation Commodity Paid on all interruptible quantities redelivered to the customer's Point(s) of Consumption Maximum		6.4670 ¢	0.323%	6.4182 ¢
d) Carbon Charges				
Federal Carbon Charge (if applicable)		3.9100 ¢		3.9100 ¢
Facility Carbon Charge (in addition to Transportation Commodity Charge(s))		0.0084 ¢		0.0084 ¢

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, at its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. In negotiating the rate to be charged for the transportation of gas under Interruptible Transportation, the matters that are to be considered include:
 - a) The amount of the interruptible transportation for which customer is willing to contract,
 - b) The anticipated load factor for the interruptible transportation quantities,
 - c) Interruptible or curtailment provisions, and
 - d) Competition.
3. In each contract year, the customer shall pay for a Minimum Interruptible Transportation Activity level as specified in the Contract. Overrun activity will not contribute to the minimum activity level.
4. Transportation fuel ratios do not apply to customers served from dedicated facilities directly connected to third party transmission systems with custody transfer metering at the interconnect.
5. Either Union or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

SUPPLEMENTAL CHARGES:

Rates for supplemental services are provided in Schedule "A".

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year.

OVERRUN SERVICE:

1. Annual Storage Space

Authorized

Authorized Overrun is provided as Storage/Balancing Service. It is payable on all quantities on any Day in excess of the customer's contracted Maximum Storage Space. Overrun will be authorized by Union at its sole discretion. Storage Space Overrun equal to the customer's firm deliveries from TCPL: less the customer's Firm Daily Contract Demand, all multiplied by the Days of Interruption called during the period of November 1 to March 31, will be automatically authorized until the following July 1.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space, and which has not been authorized by Union or provided for under a short term supplemental storage service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate will be \$6.000 per GJ applied to the greatest excess for each occurrence.

If on any Day the gas storage balance for the account of the customer is less than zero, the Unauthorized Overrun charge will apply for each GJ of gas below a zero inventory level and this amount of gas shall be deemed not to have been withdrawn from storage. The gas shall be deemed to have been sold to the customer at the highest spot price at Dawn in the month of occurrence and the month following occurrence as identified in the Canadian Gas Price Reporter and shall not be less than Union's approved weighted average cost of gas. If the customer has contracted to provide its own deliverability inventory, the zero inventory level shall be deemed to mean twenty percent (20%) of the Annual Firm Storage Space.

2. Injection, Withdrawals and Transportation

Authorized

The following Overrun rates are applied to any quantities transported, injected or withdrawn in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

Automatic authorization of Injection Overrun will be given during all Days a customer has been interrupted.

Firm or Interruptible Service

	Union Providing Compressor Fuel		For Customers Providing Their Own Compressor Fuel	
	Commodity Charge	Fuel Ratio	Fuel Ratio	Commodity Charge
Storage Injections	\$0.091/GJ	0.881%	0.881%	\$0.057/GJ
Storage Withdrawals	\$0.091/GJ	0.881%	0.881%	\$0.057/GJ
Transportation	1.4903 ¢/m ³	0.323%	0.323%	1.4415 ¢/m ³
<u>Carbon Charges</u>				
Federal Carbon Charge (if applicable)	3.9100 ¢/m ³			3.9100 ¢/m ³
Facility Carbon Charge (in addition to Transportation Commodity Charge)	0.0084 ¢/m ³			0.0084 ¢/m ³

Unauthorized

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged the identified unauthorized overrun charge, as appropriate.

Unauthorized Overrun Storage Injections and Withdrawals Charge	\$1.503	per GJ
Unauthorized Overrun Transportation Charge	5.8456	¢ per m ³
Carbon Charges		
Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Overrun Transportation Charge)	0.0084	¢ per m ³

Unauthorized Overrun Non-Compliance Rate:

Unauthorized overrun gas taken any month during a period when a notice of interruption is in effect shall be paid for at the rate of 233.3400 ¢ per m³ (\$60 per GJ) for the delivery.

3. Storage / Balancing Service

Authorized

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

	Firm Service
	<u>Rate/GJ</u>
Space	\$6.000
Injection / Withdrawal Maximum	\$6.000

OTHER SERVICES & CHARGES:

1. Monthly Charge

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied as follows:

Monthly Charge	\$1,896.28
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2. Diversion of Gas

The availability of the right to divert gas will be based on Union's ability to accommodate the diversion. The price to be charged for the right to divert shall be determined through negotiation.

3. Delivery Obligations

Unless otherwise authorized by Union, all other 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.

4. Additional Service Information

Additional information on Union's T1 service offering can be found at:
www.uniongas.com/business/account-services/unionline/contracts-rates/T1-service-features

The additional information consists of, but is not limited to, the following:

- i. Storage space and deliverability entitlement;
- ii. The determination of gas supply receipt points and delivery obligations;
- iii. The nomination schedule;
- iv. The management of multiple redelivery points by a common fuel manager; and
- v. The availability of supplemental transactional services including title transfers.

5. Parkway Delivery Commitment Incentive ("PDCI")

For all Parkway Delivery Obligation ("PDO") volumes delivered to Union.

Rate/GJ

PDCI

\$(0.152)

(D) 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.

Effective April 1, 2019
Implemented April 1, 2019
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Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
STORAGE AND TRANSPORTATION RATES FOR CONTRACT CARRIAGE CUSTOMERS

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer:

- a) who has a daily firm contracted demand of at least 140 870 m³. Firm and/or interruptible daily contracted demand of less than 140,870 m³ cannot be combined for the purposes of qualifying for this rate class; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for use at facilities located within Union's gas franchise area; and
- c) who has meters with electronic recording at each Point of Consumption; and
- d) who has site specific energy measuring equipment that will be used in determining energy balances; and
- e) for whom Union has determined transportation and/or storage capacity is available.

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.

(C) Rates

The following rates shall be charged for all quantities contracted or handled as appropriate. 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.

STORAGE SERVICE:

	<u>Demand Charge Rate/GJ/mo</u>	<u>Commodity Charge Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
a) Annual Firm Storage Space Applied to contracted Maximum Annual Storage Space	\$0.011			
b) Annual Firm Injection/Withdrawal Right: Applied to the contracted Maximum Annual Firm Injection/Withdrawal Right Union provides deliverability Inventory	\$1.482			
Customer provides deliverability Inventory (4)	\$1.184			
c) Incremental Firm Injection Right: Applied to the contracted Maximum Incremental Firm Injection Right	\$1.184			
d) Annual Interruptible Withdrawal Right: Applied to the contracted Maximum Annual Interruptible Withdrawal Right	\$1.184			

	Demand Charge Rate/GJ/mo	Commodity Charge Rate/GJ	For Customers Providing Their Own Compressor Fuel	
			Fuel Ratio	Commodity Charge Rate/GJ
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		\$0.024	0.408%	\$0.008
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		\$0.024	0.408%	\$0.008
g) Short Term Storage / Balancing Service Maximum		\$6.000		
h) Daily Variance Account Interruptible Injections/Withdrawals Paid on all quantities withdrawn from and injected into the Daily Variance Account up to the Maximum Injection/Withdrawal Quantity		\$0.091	0.881%	\$0.057

Notes:

1. Demand charges for Annual Services are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Annual Firm Injection Rights are equal to 100% of their respective Annual Firm Withdrawal Rights. Injection Rights in excess of the Annual Firm Injection Rights will be charged at the Incremental Firm Injection Right.
3. Annual Firm Storage Space

The maximum storage space available to a customer at the rates specified herein is determined by one of the following storage allocation methodologies:

3.1 Aggregate Excess

Aggregate excess is the difference between the customer's total 151-day winter consumption (November 1 through March 31) and the customer's average daily consumption (Daily Contract Quantity) for the contract year multiplied by 151 days of winter. This calculation will be done using two years of historical data (with 25% weighting for each year) and one year of forecast data (with 50% weighting). If a customer is new, or an existing customer is undergoing a significant change in operations, the allocation will be based on forecast consumption only, as negotiated between Union and the customer. Once sufficient historical information is available for the customer, the standard calculation will be done. At each contract renewal, the aggregate excess calculation will be performed to set the new space allocation.

3.2 Obligated daily contract quantity multiple of 15

Obligated daily contract quantity is the firm daily quantity of gas which the customer must deliver to Union. The 15 x obligated daily contract quantity calculation will be done using the daily contract quantity for the upcoming contract year. At each contract renewal, the 15 x obligated daily contract quantity calculation will be performed to set the new space allocation.

3.3 For new, large (daily firm transportation demand requirements in excess of 1,200,000 m³/day) gas fired power generation customers, storage space is determined by peak hourly consumption x 24 x 4 days. Should the customer elect firm deliverability less than their maximum entitlement (see Note 4.2), the maximum storage space available at the rates specified herein is 10 x firm storage deliverability contracted, not to exceed peak hourly consumption x 24 x 4 days.

3.4 Contract Demand multiple of 10

For customers with non-obligated supply and who are not eligible for Section 3.3 above, the maximum storage space is determined as 9 x firm daily Contract Demand and the Daily Variance Account maximum storage space is determined as 1 x firm daily Contract Demand.

Customers may contract for less than their maximum entitlement of firm storage space.

4. Annual Injection/Withdrawal Right

The maximum level of deliverability available to a customer at the rates specified herein is determined by one of the following methodologies:

4.1 The greater of obligated daily contract quantity or firm daily contract demand less obligated daily contract quantity.

4.2 For new, large (daily firm transportation demand requirements in excess of 1,200,000 m³/day) gas fired power generation customers, the maximum entitlement of firm storage deliverability is 24 times the customer's peak hourly consumption, with 1.2% firm deliverability available at the rates specified herein.

4.3 For customers with non-obligated supply and are not eligible for Section 4.2 above, the firm storage deliverability is determined as 1.2% of firm storage space, excluding the firm storage space associated with the Daily Variance Account. For the Daily Variance Account, the storage deliverability is available on an interruptible basis up to the customer's firm contracted demand.

Customers may contract for less than their maximum entitlement of deliverability. A customer may contract up to this maximum entitlement with a combination of firm and interruptible deliverability as specified in Section (C) Storage Service.

5. Additional storage space or deliverability, in excess of the allocated entitlements per Notes 3 and 4, may be available at market prices.

6. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.

7. Deliverability Inventory being defined as 20% of annual storage space.

8. Short Term Storage / Balancing Service is:

- i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, or
- ii) short-term firm deliverability, or
- iii) a component of an operational balancing service offered.

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

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities, and
- iv) Competition.

TRANSPORTATION CHARGES:

	Demand Charge	Union Providing	For Customers Providing	
		Compressor Fuel	Their Own Compressor Fuel	
		Commodity	Fuel	Commodity
		Charge	Ratio (5)	Charge
	<u>Rate/m³/mo</u>	<u>Rate/m³</u>		<u>Rate/m³</u>
a) Annual Firm Transportation Demand				
Applied to the Firm Daily Contract Demand				
First 140,870 m ³ per month	32.0198 ¢			
All over 140,870 m ³ per month	16.9369 ¢			
b) Firm Transportation Commodity				
Paid on all firm quantities redelivered to the customer's Point(s) of Consumption				
Commodity Charge (All volumes)		0.0690 ¢	0.295%	0.0245 ¢
c) Interruptible Transportation Commodity				
Paid on all interruptible quantities redelivered to the customer's Point(s) of Consumption				
Maximum		6.4670 ¢	0.295%	6.4225 ¢
d) Carbon Charges				
Federal Carbon Charge (if applicable)		3.9100 ¢		3.9100 ¢
Facility Carbon Charge (in addition to Transportation Commodity Charge(s))		0.0084 ¢		0.0084 ¢

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, at its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day and who are directly connected to i) the Dawn-Trafalgar transmission system in close proximity to Parkway or ii) a third party pipeline, have the option to pay for service using a Billing Contract Demand. The Billing Contract Demand shall be determined by Union such that the annual revenues over the term of the contract will recover the invested capital, return on capital and operating and maintenance costs associated with the dedicated service in accordance with Union's system expansion policy. The firm transportation demand charge will be applied to the Billing Contract Demand. For customers choosing the Billing Contract Demand option, the authorized transportation overrun rate will apply to all volumes in excess of the Billing Contract Demand but less than the daily firm demand requirement.
3. In negotiating the rate to be charged for the transportation of gas under Interruptible Transportation, the matters that are to be considered include:
 - a) The amount of the interruptible transportation for which customer is willing to contract,
 - b) The anticipated load factor for the interruptible transportation quantities,
 - c) Interruptible or curtailment provisions, and
 - d) Competition.
4. In each contract year, the customer shall pay for a Minimum Interruptible Transportation Activity level as specified in the Contract. Overrun activity will not contribute to the minimum activity level.
5. Transportation fuel ratios do not apply to customers served from dedicated facilities directly connected to third party transmission systems with custody transfer metering at the interconnect.
6. Firm transportation fuel ratio does not apply to new customers or existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day that contract for M12 Dawn to Parkway transportation service equivalent to 100% of their daily firm demand requirement. If a customer with a daily firm demand requirement in excess of 1,200,000 m³/day contracts for M12 Dawn to Parkway transportation service at less than 100% of their firm daily demand requirement, the firm transportation fuel ratio will be applicable to daily volumes not transported under the M12 transportation contract.
7. Either Union or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

SUPPLEMENTAL CHARGES:

Rates for supplemental services are provided in Schedule "A".

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year.

OVERRUN SERVICE:

1. Annual Storage Space

Authorized

Authorized Overrun is provided as Storage/Balancing Service. It is payable on all quantities on any Day in excess of the customer's contracted Maximum Storage Space. Overrun will be authorized by Union at its sole discretion. Storage Space Overrun equal to the customer's firm deliveries from TCPL: less the customer's Firm Daily Contract Demand, all multiplied by the Days of Interruption called during the period of November 1 to March 31, will be automatically authorized until the following July 1. Authorized Overrun is not applicable to the Daily Variance Account.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space, and which has not been authorized by Union or provided for under a short term supplemental storage service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate will be \$6.000 per GJ applied to the greatest excess for each occurrence.

If on any Day the gas storage balance for the account of the customer is less than zero, the Unauthorized Overrun charge will apply for each GJ of gas below a zero inventory level and this amount of gas shall be deemed not to have been withdrawn from storage. The gas shall be deemed to have been sold to the customer at the highest spot price at Dawn in the month of occurrence and the month following occurrence as identified in the Canadian Gas Price Reporter and shall not be less than Union's approved weighted average cost of gas. If the customer has contracted to provide its own deliverability inventory, the zero inventory level shall be deemed to mean twenty percent (20%) of the Annual Firm Storage Space.

2. Injection, Withdrawals and Transportation

Authorized

The following Overrun rates are applied to any quantities transported, injected or withdrawn in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion. The Authorized Overrun rates are not applicable to the Daily Variance Account.

Automatic authorization of Injection Overrun will be given during all Days a customer has been interrupted.

	<u>Union Providing Compressor Fuel Commodity Charge</u>	<u>For Customers Providing Their Own Compressor Fuel Fuel Ratio</u>	<u>Commodity Charge</u>
Storage Injections	\$0.091/GJ	0.881%	\$0.057/GJ
Storage Withdrawals	\$0.091/GJ	0.881%	\$0.057/GJ
Transportation	1.1217 ¢/m ³	0.295%	1.0772 ¢/m ³
<u>Carbon Charges</u>			
Federal Carbon Charge (if applicable)	3.9100 ¢/m ³		3.9100 ¢/m ³
Facility Carbon Charge (in addition to Transportation Commodity Charge)	0.0084 ¢/m ³		0.0084 ¢/m ³

Unauthorized

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged the identified unauthorized overrun charge, as appropriate. For the Daily Variance Account, this unauthorized storage overrun rate will be charged on all quantities in excess of the Daily Variance Account maximum injection/withdrawal quantity.

Unauthorized Overrun Storage Injections and Withdrawals Charge	\$1.503	per GJ
Unauthorized Overrun Transportation Charge	5.8456	¢ per m ³
<u>Carbon Charges</u>		
Federal Carbon Charge (if applicable)	3.9100	¢ per m ³
Facility Carbon Charge (in addition to Overrun Transportation Charge)	0.0084	¢ per m ³

Unauthorized Overrun Non-Compliance Rate:

Unauthorized overrun gas taken any month during a period when a notice of interruption is in effect shall be paid for at the rate of 233.3400 ¢ per m³ (\$60 per GJ) for the delivery.

3. Storage / Balancing Service

Authorized

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

	Firm Service <u>Rate/GJ</u>
Space	\$6.000
Injection / Withdrawal Maximum	\$6.000

OTHER SERVICES & CHARGES:

1. Monthly Charge

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied as follows:

Monthly Charge	\$5,440.88
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2. Diversion of Gas

The availability of the right to divert gas will be based on Union's ability to accommodate the diversion. The price to be charged for the right to divert shall be determined through negotiation.

3. Delivery Obligations

The delivery options available to customers are detailed at:
www.uniongas.com/business/account-services/unionline/contracts-rates/T1-service-features

Unless otherwise authorized by Union, all other 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.

4. Nominations

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day who have non obligated deliveries may contract to use Union's 5 additional nomination windows (13 in total) for the purposes of delivering gas to Union. These windows are in addition to the standard NAESB and TCPL STS nomination windows. Customers taking the additional nomination window service will pay an additional monthly demand charge of \$0.070/GJ/day/month multiplied by the non-obligated daily contract quantity.

5. Additional Service Information

Additional information on Union's T2 service offering can be found at:
www.uniongas.com/business/account-services/unionline/contracts-rates/T1-service-features

The additional information consists of, but is not limited to, the following:

- i. Storage space and deliverability entitlement;
- ii. The determination of gas supply receipt points and delivery obligations;
- iii. The nomination schedule;
- iv. The management of multiple redelivery points by a common fuel manager; and
- v. The availability of supplemental transactional services including title transfers.

6. Parkway Delivery Commitment Incentive ("PDCI")

For all Parkway Delivery Obligation ("PDO") volumes delivered to Union.

Rate/GJ

PDCI

\$(0.152)

(D) 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.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
STORAGE AND TRANSPORTATION RATES FOR CONTRACT CARRIAGE CUSTOMERS

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a Distributor:

- a) whose minimum annual transportation of natural gas is 700 000 m³ or greater; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for distribution to its customers; and
- c) who has meters with electronic recording at each Point of Redelivery; and
- d) for whom Union has determined transportation and/or storage capacity is available.

(C) Rates

The following rates shall be charged for all quantities contracted or handled as appropriate. 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.

STORAGE SERVICE:

	<u>Demand Charge Rate/GJ/mo</u>	<u>Commodity Charge Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
a) Annual Firm Storage Space Applied to contracted Maximum Annual Storage Space	\$0.011			
b) Annual Firm Injection/Withdrawal Right: Applied to the contracted Maximum Annual Firm Injection/Withdrawal Right Union provides deliverability Inventory	\$1.482			
Customer provides deliverability Inventory (4)	\$1.184			
c) Incremental Firm Injection Right: Applied to the contracted Maximum Incremental Firm Injection Right	\$1.184			
d) Annual Interruptible Withdrawal Right: Applied to the contracted Maximum Annual Interruptible Withdrawal Right	\$1.184			
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		\$0.024	0.408%	\$0.008
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		\$0.024	0.408%	\$0.008
g) Short Term Storage / Balancing Service Maximum		\$6.000		

Notes:

1. Demand charges for Annual Services are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Annual Firm Injection Rights are equal to 100% of their respective Annual Firm Withdrawal Rights. Injection Rights in excess of the Annual Firm Injection Rights will be charged at the Incremental Firm Injection Right.
3. Annual Firm Storage Space

The maximum storage space available to a customer at the rates specified herein is determined by one of the following storage allocation methodologies:

3.1 Aggregate Excess

Aggregate excess is the difference between the customer's total 151-day winter consumption (November 1 through March 31) and the customer's average daily consumption (Daily Contract Quantity) for the contract year multiplied by 151 days of winter. This calculation will be done using two years of historical data (with 25% weighting for each year) and one year of forecast data (with 50% weighting). If a customer is new, or an existing customer is undergoing a significant change in operations, the allocation will be based on forecast consumption only, as negotiated between Union and the customer. Once sufficient historical information is available for the customer, the standard calculation will be done. At each contract renewal, the aggregate excess calculation will be performed to set the new space allocation.

3.2 Obligated daily contract quantity multiple of 15

Obligated daily contract quantity is the firm daily quantity of gas which the customer must deliver to Union. The 15 x obligated daily contract quantity calculation will be done using the daily contract quantity for the upcoming contract year. At each contract renewal, the 15 x obligated daily contract quantity calculation will be performed to set the new space allocation.

Customers may contract for less than their maximum entitlement of firm storage space.

4. Annual Injection/Withdrawal Right

The maximum level of deliverability available to a customer at the rates specified herein is determined to be the greater of obligated daily contract quantity or firm daily contract demand less obligated daily contract quantity.

Customers may contract for less than their maximum entitlement of deliverability. A customer may contract up to this maximum entitlement with a combination of firm and interruptible deliverability as specified in Section (C) Storage Service.

5. Additional storage space or deliverability, in excess of the allocated entitlements per Notes 3 and 4, may be available at market prices.
6. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.
7. Deliverability Inventory being defined as 20% of annual storage space.
8. Short Term Storage / Balancing Service is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for this service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities, and
- iv) Competition.

TRANSPORTATION CHARGES:

	<u>Demand Charge</u> <u>Rate/m³/mo</u>	Union Providing Compressor Fuel	For Customers Providing Their Own Compressor Fuel	
		<u>Commodity Charge</u> <u>Rate/m³</u>	<u>Fuel Ratio</u>	<u>Commodity Charge</u> <u>Rate/m³</u>
a) Annual Firm Transportation Demand Applied to the Firm Daily Contract Demand	17.9898 ¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the Customer's Point(s) of Redelivery		0.1223 ¢	0.412%	0.0601 ¢
c) Facility Carbon Charge (in addition to Transportation Commodity Charge)		0.0084 ¢		0.0084 ¢

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.

SUPPLEMENTAL CHARGES

Rates for supplemental services are provided in Schedule "A".

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year.

OVERRUN SERVICE

1. Annual Storage Space

Authorized

Authorized Overrun is provided as Storage/Balancing Service. It is payable on all quantities on any Day in excess of the customer's contracted Maximum Storage Space. Overrun will be authorized by Union at its sole discretion.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space, and which has not been authorized by Union or provided for under a short term supplemental storage service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate will be \$6.000 per GJ applied to the greatest excess for each occurrence.

If on any Day, the gas storage balance for the account of the customer is less than zero, the Unauthorized Overrun charge will apply for each GJ of gas below a zero inventory level and this amount of gas shall be deemed not to have been withdrawn from storage. The gas shall be deemed to have been sold to the customer at the highest spot price at Dawn in the month of occurrence and the month following occurrence as identified in the Canadian Gas Price Reporter and shall not be less than Union's approved weighted average cost of gas. If the customer has contracted to provide its own deliverability inventory, the zero inventory level shall be deemed to mean twenty percent (20%) of the Annual Firm Storage Space.

2. Injection, Withdrawals and Transportation

Authorized

The following Overrun rates are applied to any quantities transported, injected or withdrawn in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

	Union Providing Compressor Fuel	For Customers Providing Their Own Compressor Fuel	
	Commodity Charge	Fuel Ratio	Commodity Charge
Storage Injections	\$0.091/GJ	0.881%	\$0.057/GJ
Storage Withdrawals	\$0.091/GJ	0.881%	\$0.057/GJ
Transportation	0.7137 ¢/m ³	0.412%	0.6515 ¢/m ³
Facility Carbon Charge (in addition to Transportation Commodity Charge)	0.0084 ¢/m ³		0.0084 ¢/m ³

Unauthorized

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged the identified unauthorized overrun charge, as appropriate.

Unauthorized Overrun Storage Injections and Withdrawals Charge	\$9.257	per GJ
Unauthorized Overrun Transportation Charge	36.0000	¢ per m ³
Facility Carbon Charge (in addition to Overrun Transportation Charge)	0.0084	¢ per m ³

3. Short Term Storage Services

Authorized

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

	Firm Service Rate/GJ
Space	\$6.000
Injection / Withdrawal Maximum	\$6.000

OTHER SERVICES & CHARGES

1. Monthly Charge

In addition to the rates and charges described previously for each Point of redelivery a Monthly Charge shall be applied to each specific customer as follows:

	<u>Monthly Charge</u>
City of Kitchener	\$ 19,843.96
NRG	\$ 3,046.25
Six Nations	\$ 1,015.42

If a customer combines Sales Service with Contract Carriage Service, the monthly charge will be prorated such that the customer will under both services pay no more than the above monthly charge.

2. Diversion of Gas

The availability of the right to divert gas will be based on Union's ability to accommodate the diversion. The price to be charged for the right to divert shall be determined through negotiation.

3. 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 must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

4. Parkway Delivery Commitment Incentive ("PDCI")

For all Parkway Delivery Obligation ("PDO") volumes delivered to Union.	<u>Rate/GJ</u>
PDCI	\$(0.152)

(D) 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.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

Effective
2019-04-01
Schedule "A"

ENBRIDGE GAS INC.
UNION SOUTH
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 / m³

Utility Sales

Commodity and Fuel	15.0040 (1)
Commodity and Fuel - Price Adjustment	3.0355 (2)
Transportation	-
Total Gas Supply Commodity Charge	<u>18.0395</u>

Minimum Annual Gas Supply Commodity Charge

Rate M4 Firm and Rate M5A Interruptible Contract	0.1893
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Storage and Transportation Supplemental Services - Rate T1, Rate T2 & Rate T3

\$/GJ

Monthly demand charges:

Firm gas supply service	57.598
Firm backstop gas	1.629

Commodity charges:

Gas supply	3.882
Backstop gas	4.334

Reasonable Efforts Backstop Gas	5.363
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Supplemental Inventory	Note (3)
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Supplemental Gas Sales Service (cents / m ³)	18.1747
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Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails	2.835
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Discretionary Gas Supply Service (DGSS)	Note (4)
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Notes:

- (1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1893 cents/m³.
- (2) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.4487 cents/m³ expiring June 30, 2019.
- (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 a gas supply administration charge.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
STORAGE RATES FOR UNBUNDLED CUSTOMERS

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer, or an agent, who is authorized to service residential and non-contract commercial and industrial end-users paying for the Monthly Fixed Charge and Delivery charge under Rate M1 or Rate M2:

- a) who enters into an Unbundled Service Contract with Union for the storage of Gas for use at facilities located within Union's gas franchise area;
- b) who contracts for Standard Peaking Service (SPS) with Union unless the customer can demonstrate that it has a replacement to the deliverability available in the SPS physically tied into Union's system and an OEB approved rate to provide the SPS replacement service;
- c) who accepts daily estimates of consumption at Points of Consumption as prepared by Union so that they may nominate an equivalent amount from storage, upstream transportation, or Ontario Producers authorized to sell to third parties;
- d) who nominates injections and withdrawals from storage and deliveries on upstream pipeline systems daily or Ontario Producers authorized to sell to third parties;
- e) for whom Union has determined storage capacity is available; and
- f) who accepts a monthly bill as prepared by Union.

(C) Rates

The following rates shall be charged for all volumes contracted or handled as appropriate. 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.

STORAGE SERVICE

	<u>Demand Charge Rate/GJ/mo</u>	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.023		
b) Injection Commodity		0.408%	\$0.026
c) Withdrawal Commodity		0.408%	\$0.026
ii) Standard Peaking Service (SPS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.114		
b) Injection Commodity		0.408%	\$0.026
c) Withdrawal Commodity		0.881%	\$0.026
iii) Supplemental Service			
a) Incremental Firm Injection Right: (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$1.028		

	<u>Demand Charge Rate/GJ/mo</u>	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
b) Incremental Firm Withdrawal Right: (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$1.028		
c) Short Term Storage / Balancing Service - Maximum			\$6.000

Notes:

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing service (less than 2 years) is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term incremental firm deliverability, OR
 - iii) a component of an operational balancing service offered.

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

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities,
- iv) Competition, and
- v) Term.

5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

OVERRUN SERVICE

1. Injection and Withdrawal

Authorized	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	0.881%	\$0.060
Withdrawal	0.881%	\$0.060
Unauthorized		

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

OTHER SERVICES & CHARGES

1. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. 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.

2. Parkway Delivery Commitment Incentive ("PDCI")

For all Parkway Delivery Obligation ("PDO") volumes delivered to Union.

Rate/GJ

PDCI

\$(0.152)

(D) 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.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

ENBRIDGE GAS INC.
UNION SOUTH
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 - Parkway 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 Charges (applied to daily contract demand) <u>Rate/GJ</u>	<u>Fuel and Commodity Charges</u>		
		<u>Union Supplied Fuel</u> Fuel and Commodity Charge <u>Rate/GJ</u>	<u>Shipper Supplied Fuel</u> Fuel <u>Ratio %</u> AND Commodity Charge <u>Rate/GJ</u>	
<u>Firm Transportation (1), (5)</u>				
Dawn to Parkway	\$3.716	Monthly fuel and commodity rates shall be in accordance with schedule "C".	Monthly fuel ratios shall be in accordance with schedule "C".	
Dawn to Kirkwall	\$3.154			
Kirkwall to Parkway	\$0.561			
<u>M12-X Firm Transportation</u>				
Between Dawn, Kirkwall and Parkway	\$4.590	Monthly fuel and commodity rates shall be in accordance with schedule "C".	Monthly fuel ratios shall be in accordance with schedule "C".	
<u>Limited Firm/Interruptible Transportation (1)</u>				
Dawn to Parkway – Maximum	\$8.918	Monthly fuel and commodity rates shall be in accordance with schedule "C".	Monthly fuel ratios shall be in accordance with schedule "C".	
Dawn to Kirkwall – Maximum	\$8.918			
Parkway (TCPL / EGT) to Parkway (Cons) / Lisgar (2)	n/a	n/a	0.158%	
<u>Carbon Charge (applied to all quantities transported)</u>				
Facility Carbon Charge		\$0.002	\$0.002	

(C) Rates (Cont'd)

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.

	<u>Fuel and Commodity Charges</u>			
	<u>Union Supplied Fuel</u> Fuel and Commodity Charge Rate/GJ	<u>Shipper Supplied Fuel</u>		
		<u>Fuel</u> Ratio %	<u>AND</u>	<u>Commodity Charge</u> Rate/GJ
<u>Transportation Overrun</u>				
Dawn to Parkway	Monthly fuel and commodity rates shall be in accordance with schedule "C".	Monthly fuel ratios shall be in accordance with schedule "C".		\$0.122
Dawn to Kirkwall				\$0.104
Kirkwall to Parkway				\$0.018
Parkway (TCPL) Overrun (4)	n/a	0.721%		n/a
<u>M12-X Firm Transportation</u>				
Between Dawn, Kirkwall and Parkway	Monthly fuel and commodity rates shall be in accordance with schedule "C".	Monthly fuel ratios shall be in accordance with schedule "C".		\$0.151
<u>Carbon Charge (applied to all quantities transported)</u>				
Facility Carbon Charge	\$0.002			\$0.002

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) or Parkway (EGT) 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) or Parkway (EGT) 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 \$0.070/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.

$$YCR = \sum_{1}^{4} [(0.001580 \times (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [0.001580 \times (QT1 + Q3)) + (DWFxQT1) + F_{WT}] \text{ For Oct. 1 to May 31}$$

$$YCRR = \sum_{1}^{4} [(0.001580 \times (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \times R \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [(0.001580 \times (QT1 + QT3)) + (DWFxQT1) + F_{WT}] \times R \text{ For Oct. 1 to May 31}$$

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

in which:

YC 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.

(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 April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

**UNION SOUTH - RATE M12
GENERAL TERMS & CONDITIONS**

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

1. "Contract" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;
2. "cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;
3. "day" shall mean a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Standard time. The reference date for any day shall be the calendar date upon which the twenty-four (24) hour period shall commence;
4. "delivery" shall mean any gas that is delivered by Union into Shipper's possession, or to the possession of Shipper's agent;
5. "firm" shall mean service not subject to curtailment or interruption except under Articles XI and XII of this Schedule "A";
6. "gas" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Sch. B, as amended, supplemented or re-enacted from time to time;
7. "gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;
8. "interruptible service" shall mean service subject to curtailment or interruption, after notice, at any time;
9. "Interconnecting Pipeline" shall mean a pipeline that directly connects to the Union pipeline system;
10. "joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;
11. "limited interruptible service" shall mean gas service subject to interruption or curtailment on a limited number of days as specified in the Contract;
12. "m³" shall mean cubic metre of gas and "10³m³" shall mean 1,000 cubic metres of gas;
13. "month" shall mean the period beginning at 9:00 a.m. Central Standard time on the first day of a calendar month and ending at 9:00 a.m. Central Standard time on the first day of the following calendar month;
14. "OEB" means the Ontario Energy Board;
15. "pascal" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" (kPa) shall mean 1,000 pascals;
16. "receipt" shall mean any gas that is delivered into Union's possession, or the possession of Union's agent;
17. "Shipper" shall have the meaning as defined in the Contract and shall also include Shipper's agent(s);

18. "TCPL" means TransCanada PipeLines Limited;
19. "cricondenthem hydrocarbon dewpoint" shall mean the highest hydrocarbon dewpoint temperature on the phase envelope;
20. "hydrocarbon dewpoint" shall mean temperature at a specific pressure where hydrocarbon vapour condensation begins;
21. "specific gravity" shall mean density of the gas divided by density of air, with both at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;
22. "Wobbe Number" shall mean gross heating value of the gas divided by the square root of its specific gravity;
23. "Union" shall mean Enbridge Gas Inc. operating as Union Gas.

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons, except methane, may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.
2. Freedom from objectionable matter: The gas to be delivered to/by Union hereunder,
 - a. shall be commercially free from bacteria, sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to or interference with the proper operation of the lines, regulators, meters or other appliances through which it flows,
 - b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas,
 - c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,
 - d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,
 - e. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,
 - f. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,
 - g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,
 - h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of gas,
 - i. shall not have a cricondenthem hydrocarbon dewpoint exceeding minus eight (-8) degrees Celsius,
 - j. shall have Wobbe Number from forty seven point fifty (47.50) megajoules per cubic metre of gas to fifty one point forty six (51.46) megajoules per cubic metre of gas, maximum of one point five (1.5) mole percent by volume of butane plus (C4+) in the gas, and maximum of four point zero (4.0) mole percent by volume of total inerts in the gas in order to be interchangeable with other Interconnecting Pipeline gas.

SCHEDULE "A"

3. Non-conforming Gas: In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in this Article II.
4. Quality of Gas Received: The quality of the gas to be received by Union hereunder is to be of a merchantable quality and in accordance with the quality standards as set out by Union in this Article II, but, Union will also accept gas of a quality as set out in any other Interconnecting Pipeline's general terms and conditions, provided that all Interconnecting Pipelines accept such quality of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in Union's M12 Rate Schedule.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: The unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m³) or one thousand cubic metres (10³m³) at Union's discretion.
2. Determination of Volume and Energy:
 - a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), RSC 1985, c E-4- (the "**Act**") and the Electricity and Gas Inspection Regulations, SOR 86/131 (the "**Regulations**"), and any documents issued under the authority of the Act and Regulations and any amendments thereto.
 - b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.
 - c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII herein.
 - d. Upon request by Union, Shipper shall obtain measurement of the total quantity of gas received by Union hereunder from the Interconnecting Pipeline. Such measurement shall be done in accordance with established practices between Union and the Interconnecting Pipeline.

IV. RECEIPT POINT AND DELIVERY POINT

1. Unless otherwise specified in the Contract, the point or points of receipt for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where Union takes possession of the gas.
2. Unless otherwise specified in the Contract, the point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection as specified in the Contract where Shipper takes possession of the gas.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

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VI. FACILITIES ON SHIPPER'S PROPERTY

SCHEDULE "A"

Except under those conditions where Union is delivering to TCPL for TCPL or Shipper at Union's Parkway Point of Delivery, or to an Interconnecting Pipeline, or where otherwise specified in the Contract, the following will apply:

1. Construction and Maintenance: Union, at its own expense may construct, maintain and operate on Shipper's property at the delivery point a measuring station properly equipped with a meter or meters and any other necessary measuring equipment for properly measuring the gas redelivered under the Contract. Shipper will grant to Union a lease and/or rights-of-way over property of Shipper as required by Union to install such facilities and to connect same to Union's pipeline.
2. Entry: Union, its servants, agents and each of them may at any reasonable time on notice (except in cases of emergency) to Shipper or his duly authorized representative enter Shipper's property for the purpose of constructing, maintaining, removing, operating and/or repairing station equipment.
3. Property: The said station and equipment will be and remain the property of Union notwithstanding it is constructed on and attached to the realty of Shipper, and Union may at its own expense remove it upon termination of the Contract and will do so if so requested by Shipper.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III herein.
2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by their regulatory body.
3. Check Measuring Equipment: Shipper may install, maintain and operate, at the redelivery point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the delivery point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.
4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten (10) days after receipt thereof.
5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party notifies the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing redeliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Act and Regulations, as may be amended from time to time and in accordance with any successor statutes and regulations.

SCHEDULE "A"

6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.
7. Error in Metering or Meter Failure: In the event of an error in metering or a meter failure, (such error or failure being determined through check measurement by Union or any other available method), then Shipper shall enforce its rights as Shipper with the Interconnecting Pipeline(s) to remedy such error or failure including enforcing any inspection and/or verification rights and procedures.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the 10th day of each month for all services furnished during the preceding month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the 10th day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.
2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.

IX. PAYMENTS

1. Monthly Payments: Shipper shall pay the invoiced amount directly into Union's bank account as directed on the invoice on or before the twentieth (20th) day of each month. If the payment date is not a business day, then payment must be received in Union's account on the first business day preceding the twentieth (20th) day of the month.
2. Remedies for Non-payment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,
 - a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment.
 - b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend service(s) until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend service(s) because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

Notwithstanding the foregoing paragraph(s), Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such

overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "bill" next following shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within six (6) years from the date of the incorrect billing. In the event any refund is issued with Shipper's gas bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act of the Province of Ontario, or any act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. The term "**force majeure**" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.
2. In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.
3. Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not, as soon as possible after determining, or within a period within which it should acting reasonably have determined, that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract, give to the other party the notice required hereunder.
4. The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.

SCHEDULE "A"

5. An event of force majeure on Union's system will excuse the failure to deliver gas by Union or the failure to accept gas by Union hereunder, and both parties shall be excused from performance of their obligations hereunder, except for payment obligations, to the extent of and for the duration of the force majeure.
6. Upstream or Downstream Force Majeure: An event of force majeure upstream or downstream of Union's system shall not relieve Shipper of any payment obligations.
7. Delay of Firm Transportation Services: Despite Article XI herein, if Union is prevented, by reason of an event of force majeure on Union's system from delivering gas on the Day or Days upon which Union has accepted gas from Shipper, Union shall thereafter make all reasonable efforts to deliver such quantities as soon as practicable and on such Day or Days as are agreed to by Shipper and Union. If Union accepts such gas on this basis, Shipper shall not receive any demand charge relief as contemplated under Article XI herein.
8. Demand Charge Relief for Firm Transportation Services: Despite Article XI herein, if on any Day Union fails to accept gas from Shipper by reason of an event of force majeure on Union's system and fails to deliver the quantity of gas nominated hereunder by Shipper up to the firm Contract Demand for that Contract, then for that Day the Monthly demand charge shall be reduced by an amount equal to the applicable Daily Demand Rate, as defined in this paragraph, multiplied by the difference between the quantity of gas actually delivered by Union during such Day and the quantity of gas which Shipper in good faith nominated on such Day. The term "Daily Demand Rate" shall mean the Monthly demand charge or equivalent pursuant to the M12 Rate Schedule divided by the number of days in the month for which such rate is being calculated.
9. If, due to the occurrence of an event of force majeure as outlined above, the capacity for gas deliveries by Union is impaired, it will be necessary for Union to curtail Shipper's gas receipts to Union hereunder, via proration based on utilization of such facilities for the Day. This prorating shall be determined by multiplying the capability of such facilities as available downstream of the impairment on the Day, by a fraction where the numerator is Shipper's nominated firm quantity and the denominator is the total of all such nominated firm quantities for nominated services and planned consumption for in-franchise customers on the Day. For the purposes of this Article XI, firm services shall mean all firm services provided by Union to in-franchise customers and ex-franchise shippers.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI hereof) which has not been waived by the other party, then and in every such case and as often as the same may happen, the Non-defaulting party may give written notice to the Defaulting party requiring it to remedy such default and in the event of the Defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the Non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

XIII. MODIFICATION

Subject to Union's M12 Rate Schedule, Schedule A, Article XV and the ability of Union to amend the M12 Rate Schedule with the approval of the OEB, no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

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XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

UNION SOUTH - RATE M12
GENERAL TERMS & CONDITIONS

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

"**Authorized Overrun**" shall mean the amount by which Shipper's Authorized Quantity exceeds the Contract Demand;

"**Available Capacity**" shall mean at any time, Union's remaining available capacity to provide Transportation Services;

"**Business Day**" shall mean any day, other than Saturday, Sunday or any days on which national banks in the Province of Ontario are authorized to close;

"**Contract**" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

"**Contract Year**" shall mean a period of three hundred and sixty-five (365) consecutive days; provided however, that any such period which contains a date of February 29 shall consist of three hundred and sixty-six (366) consecutive days, commencing on November 1 of each year; except for the first Contract Year which shall commence on the Commencement Date and end on the first October 31 that follows such date;

"**cricondenthem hydrocarbon dewpoint**" shall mean the highest hydrocarbon dewpoint temperature on the phase envelope;

"**cubic metre**" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"**Day**" shall mean a period of twenty-four (24) consecutive hours beginning at 10:00 a.m. Eastern Clock Time. The reference date for any Day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

"**delivery**" shall mean any gas that is delivered by Union into Shipper's possession, or to the possession of Shipper's agent;

"**Eastern Clock Time**" shall mean the local clock time in the Eastern Time Zone on any Day;

"**Expansion Facilities**" shall mean any new facilities to be constructed by Union in order to provide Transportation Services;

"**firm**" shall mean service not subject to curtailment or interruption except under Articles XI, XII and XVIII herein;

"**gas**" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Sch. B, as amended, supplemented or re-enacted from time to time;

"**gross heating value**" shall mean the total heat expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

"**hydrocarbon dewpoint**" shall mean temperature at a specific pressure where hydrocarbon vapour condensation begins;

"**Interruptible Service HUB Contract**" shall mean a contract between Shipper and Union under which Union provides interruptible HUB service;

"**interruptible service**" or "**Interruptible**" shall mean service subject to curtailment or interruption, after notice, at any time;

"**Interconnecting Pipeline**" shall mean a pipeline that directly connects to the Union pipeline system;

"**joule**" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "**megajoule**" (MJ) shall mean 1,000,000 joules. The term "**gigajoule**" (GJ) shall mean 1,000,000,000 joules;

"**Loaned Quantities**" shall mean those quantities of gas loaned to Shipper under the Facilitating Agreement;

"**m³**" shall mean cubic metre of gas and "**10³m³**" shall mean 1,000 cubic metres of gas;

"**Month**" shall mean the period beginning at 10:00 a.m. Eastern Clock Time on the first day of a calendar month and ending at 10:00 a.m. Eastern Clock Time on the first day of the following calendar month;

"**NAESB**" shall mean North American Energy Standards Board;

"**OEB**" means the Ontario Energy Board;

"**Open Season**" or "**open season**" shall mean an open access auction or bidding process held by Union as a method of allocating capacity;

"**pascal**" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "**kilopascal**" (kPa) shall mean 1,000 pascals;

"**receipt**" shall mean any gas that is delivered into Union's possession, or the possession of Union's agent;

"**Shipper**" shall have the meaning as defined in the Contract, and shall also include Shipper's agent(s);

"**specific gravity**" shall mean density of the gas divided by density of air, with both at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"**Taxes**" shall mean any tax (other than tax on income or tax on property), duty, royalty, levy, license, fee or charge not included in the charges and rates as per the applicable rate schedule (including but not limited to charges under any form of cap and trade, carbon tax, or similar system) and that is levied, assessed or made by any governmental authority on the gas itself, or the act, right, or privilege of producing, severing, gathering, storing, transporting, handling, selling or delivering gas under the Contract;

"**TCPL**" means TransCanada PipeLines Limited;

"**Union**" shall mean Enbridge Gas Inc. operating as Union Gas;

"**Wobbe Number**" shall mean gross heating value of the gas divided by the square root of its specific gravity.

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons, except methane, may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.
2. Freedom from objectionable matter: The gas to be delivered to/by Union hereunder,
 - a. shall be commercially free from bacteria, sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to, or interference with, the proper operation of the lines, regulators, meters or other appliances through which it flows,

- b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas, nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas,
 - c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,
 - d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,
 - e. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,
 - f. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,
 - g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,
 - h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of gas,
 - i. shall not have a cricondenthem hydrocarbon dewpoint exceeding minus eight (-8) degrees Celsius,
 - j. shall have Wobbe Number from forty seven point fifty (47.50) megajoules per cubic metre of gas to fifty one point forty six (51.46) megajoules per cubic metre of gas, maximum of one point five (1.5) mole percent by volume of butane plus (C4+) in the gas, and maximum of four point zero (4.0) mole percent by volume of total inerts in the gas in order to be interchangeable with other Interconnecting Pipeline gas.
3. Non-conforming Gas: In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in this Article II.
4. Quality of Gas Received: The quality of the gas to be received by Union hereunder is to be of a merchantable quality and in accordance with the quality standards as set out by Union in this Article II, but, Union will also accept gas of a quality as set out in any other Interconnecting Pipeline's general terms and conditions, provided that all Interconnecting Pipelines accept such quality of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in Union's M12 Rate Schedule.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: The unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m³) or one thousand cubic metres (10³m³) at Union's discretion.
2. Determination of Volume and Energy:
 - a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), RSC 1985, c E-4- (the "Act") and the Electricity and Gas Inspection Regulations, SOR 86/131 (the "Regulations"), and any documents issued under the authority of the Act and Regulations and any amendments thereto.
 - b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.
 - c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII herein.
 - d. Upon request by Union, Shipper shall obtain measurement of the total quantity of gas received by Union hereunder from the Interconnecting Pipeline. Such measurement shall be done in accordance with established practices between Union and the Interconnecting Pipeline.

IV. RECEIPT POINT AND DELIVERY POINT

1. Unless otherwise specified in the Contract, the point or points of receipt and point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where possession of the gas changes from one party to the other, and as per Schedule "D 2010".

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

1. Possession of Gas: Union accepts no responsibility for any gas prior to such gas being delivered to Union at the Receipt Point or after its delivery by Union at the Delivery Point. As between the parties hereto, Union shall be deemed to be in control and possession of and responsible for all such gas from the time that such gas enters Union's system until such gas is delivered to Shipper.
2. Liability: Shipper agrees that Union is not a common carrier and is not an insurer of Shipper's gas, and that Union shall not be liable to Shipper or any third party for loss of gas in Union's possession, except to the extent such loss is caused entirely by Union's negligence or wilful misconduct.

VI. FACILITIES ON SHIPPER'S PROPERTY

Except under those conditions where Union is delivering to TCPL for TCPL or Shipper at Parkway (TCPL), or to an Interconnecting Pipeline, or where otherwise specified in the Contract, the following will apply:

1. Construction and Maintenance: Union, at its own expense may construct, maintain and operate on Shipper's property at the delivery point a measuring station properly equipped with a meter or meters and any other necessary measuring equipment for properly measuring the gas redelivered under the Contract. Shipper will grant to Union a lease and/or rights-of-way over property of Shipper as required by Union to install such facilities and to connect same to Union's pipeline.
2. Entry: Union, its servants, agents and each of them may at any reasonable time on notice (except in cases of emergency) to Shipper or his duly authorized representative enter Shipper's property for the purpose of constructing, maintaining, removing, operating and/or repairing station equipment.
3. Property: The said station and equipment will be and remain the property of Union notwithstanding it is constructed on and attached to the realty of Shipper, and Union may at its own expense remove it upon termination of the Contract and will do so if so requested by Shipper.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III herein.
2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by its regulatory body.
3. Check Measuring Equipment: Shipper may install, maintain and operate, at the redelivery point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the delivery point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.

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4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten (10) days after receipt thereof.
5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party notifies the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing receipts and deliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Act and Regulations, as may be amended from time to time and in accordance with any successor statutes and regulations.
6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.
7. Error in Metering or Meter Failure: In the event of an error in metering or a meter failure, (such error or failure being determined through check measurement by Union or any other available method), then Shipper shall enforce its rights as Shipper with the Interconnecting Pipeline(s) to remedy such error or failure including enforcing any inspection and/or verification rights and procedures.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the tenth (10th) day of each month for all Transportation Services furnished during the preceding Month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding Month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the tenth (10th) day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.
2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.
3. Amendment of Statements: For the purpose of completing a final determination of the actual quantities of gas handled in any of the Transportation Services to Shipper, the parties shall have the right to amend their statement for a period equal to the time during which the Interconnecting Pipeline retains the right to amend their statements, which period shall not exceed three (3) years from the date of termination of the Contract.

IX. PAYMENTS

1. Monthly Payments: Shipper shall pay the invoiced amount directly into Union's bank account as directed on the invoice on or before the twentieth (20th) day of each month. If the payment date is not a Business Day, then payment must be received in Union's account on the first Business Day preceding the twentieth (20th) day of the month.
2. Remedies for Non-payment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,

- a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment; and,
- b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend Services until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend Services because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

Notwithstanding the foregoing, Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "**bill next following**" shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within three (3) years from the date of the incorrect billing. In the event any refund is issued with Shipper's bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.
4. Taxes: In addition to the charges and rates as per the applicable rate schedules and price schedules, Shipper shall pay all Taxes which are imposed currently or subsequent to the execution of the Contract by any legal authority having jurisdiction and any amount in lieu of such Taxes paid or payable by Union.
5. Set Off: If either party shall, at any time, be in arrears under any of its payment obligations to the other party under the Contract, then the party not in arrears shall be entitled to reduce the amount payable by it to the other party in arrears under the Contract, or any other contract, by an amount equal to the amount of such arrears or other indebtedness to the other party. In addition to the foregoing remedy, Union may, upon forty-eight (48) hours verbal notice, to be followed by written notice, take possession of any or all of Shipper's gas under the Contract or any enhancement to the Contract, which shall be deemed to have been assigned to Union, to reduce such arrears or other indebtedness to Union.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act, 1991, or any act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. Definition: The term "force majeure" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.
2. Notice: In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.
3. Exclusions: Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not, as soon as possible after determining, or within a period within which it should acting reasonably have determined, that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract, give to the other party the notice required hereunder.
4. Notice of Remedy: The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.
5. Obligation to Perform: An event of force majeure on Union's system will excuse the failure to deliver gas by Union or the failure to accept gas by Union hereunder, and both parties shall be excused from performance of their obligations hereunder, except for payment obligations, to the extent of and for the duration of the force majeure.
6. Upstream or Downstream Force Majeure: An event of force majeure upstream or downstream of Union's system shall not relieve Shipper of any payment obligations.
7. Delay of Firm Transportation Services: Despite Article XI herein, if Union is prevented, by reason of an event of force majeure on Union's system from delivering gas on the Day or Days upon which Union has accepted gas from Shipper, Union shall thereafter make all reasonable efforts to deliver such quantities as soon as practicable and on such Day or Days as are agreed to by Shipper and Union. If Union accepts such gas on this basis, Shipper shall not receive any demand charge relief as contemplated under Article XI herein.
8. Demand Charge Relief for Firm Transportation Services: Despite Article XI herein, if on any Day Union fails to accept gas from Shipper by reason of an event of force majeure on Union's system and fails to deliver the quantity of gas nominated hereunder by Shipper up to the firm Contract Demand for that Contract, then for that Day the Monthly demand charge shall be reduced by an amount equal to the applicable Daily Demand Rate, as defined in this paragraph, multiplied by the difference between the quantity of gas actually delivered by Union during such Day and the quantity of gas which Shipper in good faith nominated on such Day. The term "Daily Demand Rate" shall mean the Monthly demand charge or equivalent pursuant to the M12 Rate Schedule divided by the number of days in the month for which such rate is being calculated.
9. Proration of Firm Transportation Service: If, due to the occurrence of an event of force majeure as outlined above, the capacity for gas deliveries by Union is impaired, it will be necessary for Union to curtail Shipper's gas receipts to Union hereunder, via proration based on utilization of such facilities for the Day. This prorating shall be determined by

multiplying the capability of such facilities as available downstream of the impairment on the Day, by a fraction where the numerator is Shipper's nominated firm quantity and the denominator is the total of all such nominated firm quantities for nominated services and planned consumption for in-franchise customers on the Day. For the purposes of this Article XI, firm services shall mean all firm services provided by Union to in-franchise customers and ex-franchise shippers.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI herein) which has not been waived by the other party, then and in every such case and as often as the same may happen, the non-defaulting party may give written notice to the defaulting party requiring it to remedy such default and in the event of the defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

XIII. AMENDMENT

Subject to Article XV herein and the ability of Union to amend the applicable rate schedules and price schedules, with the approval of the OEB (if required), no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

No waiver of any provision of the Contract shall be effective unless the same shall be in writing and signed by the party entitled to the benefit of such provision and then such waiver shall be effective only in the specific instance and for the specified purpose for which it was given. No failure on the part of Shipper or Union to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy under the Contract shall operate as a waiver thereof.

XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

XVI ALLOCATION OF CAPACITY

1. Requests for Transportation Service: A potential shipper may request firm transportation service on Union's system at any time. Any request for firm M12 transportation service must include: potential shipper's legal name, Receipt Point(s), Delivery Point(s), Commencement Date, Initial Term, Contract Demand and proposed payment. This is applicable for M12 service requests for firm transportation service with minimum terms of ten (10) years where Expansion Facilities are required or a minimum term of five (5) years for use of existing capacity.
2. Expansion Facilities: If requests for firm transportation services cannot be met through existing capacity such that the only way to satisfy the requests for transportation service would require the construction of Expansion Facilities which create new capacity, Union shall allocate any such new capacity by open season, subject to the terms of the open season, and these General Terms and Conditions.

3. Open Seasons: If requests for long-term firm transportation service can be met through existing facilities upon which long-term capacity is becoming available, Union shall allocate such long-term capacity by open season, subject to the terms of the open season, and these General Terms and Conditions. "Long-term", for the purposes of this Article XVI, means, in the case of a transportation service, a service that has a term of one year or greater.
4. Awarding Open Season Capacity: Capacity requests received during an open season shall be awarded starting with those bids with the highest economic value. If the economic values of two or more independent bids are equal, then service shall be allocated on a pro-rata basis. The economic value shall be based on the net present value which shall be calculated based on the proposed per- unit rate and the proposed term of the contract and without regard to the proposed Contract Demand ("NPV").
5. Available Capacity Previously Offered in Open Season: Union may at any time allocate capacity to respond to any M12 transportation service request through an open season. If a potential shipper requests M12 transportation service that can be provided through Available Capacity that was previously offered by Union in an open season but was not awarded, then:
 - a. Any such request must conform to the requirements of Section 1 of this Article XVI;
 - b. Union shall allocate capacity to serve such request pursuant to this Section 5, and subject to these General Terms and Conditions and Union's standard form M12 transportation contract;
 - c. Union may reject a request for M12 transportation service for any of the following reasons:
 - i) if there is insufficient Available Capacity to fully meet the request, but if that is the only reason for rejecting the request for service, Union must offer to supply the Available Capacity to the potential shipper;
 - ii) if the proposed monthly payment is less than Union's Monthly demand charge plus fuel requirements for the applicable service;
 - iii) if prior to Union accepting the request for transportation service Union receives a request for transportation service from one or more other potential shippers and there is, as a result, insufficient Available Capacity to service all the requests for service, in which case Union shall follow the procedure in Section 5 d hereof; -
 - iv) if Union does not provide the type of transportation service requested; or
 - v) if all of the conditions precedent specified in Article XXI Sections 1 and 2 herein have not been satisfied or waived.
 - d. Union will advise the potential shipper in writing whether Union accepts or rejects the request for service, subject to Article XVI 5 c, within 5 calendar days of receiving a request for M12 transportation service. If Union rejects a request for service, Union shall inform the potential shipper of the reasons why its request is being rejected; and
 - e. If Union has insufficient Available Capacity to service all pending requests for transportation service Union may:
 - i) Reject all the pending requests for transportation service and conduct an open season; or
 - ii) Union shall inform all the potential shippers who have submitted a pending request for transportation service that it does not have sufficient capacity to service all pending requests for service, and Union shall provide all such potential shippers with an equal opportunity to submit a revised request for service. Union shall then allocate the Available Capacity to the request for transportation service with the highest economic value to Union. If the economic values of two or more requests are equal, then service shall be allocated on a pro-rata basis. The economic value of any request shall be based on the NPV.

XVII. RENEWALS

Contracts with an Initial Term of five (5) years or greater will continue in full force and effect beyond the Initial Term, automatically renewing for a period of one (1) year, and every one (1) year thereafter. Shipper may reduce the Contract Demand or terminate the Contract with notice in writing by Shipper at least two (2) years prior to the expiration thereof.

XVIII. SERVICE CURTAILMENT

1. Right to Curtail: Union shall have the right to curtail or not to schedule part or all of Transportation Services, in whole or in part, on all or a portion of its pipeline system at any time for reasons of Force Majeure or when, in Union sole discretion, acting reasonably, capacity or operating conditions so require or it is desirable or necessary to make modifications, repairs or operating changes to its pipeline system. Union shall provide Shipper such notice of such curtailment as is reasonable under the circumstances. If due to any cause whatsoever Union is unable to receive or deliver the quantities of Gas which Shipper has requested, then Union shall order curtailment by all Shippers affected and to the extent necessary to remove the effect of the disability. Union has a priority of service policy to determine the order of service curtailment. In order to place services on the priority of service list, Union considers the following business principles: appropriate level of access to core services, customer commitment, encouraging appropriate contracting, materiality, price and term, and promoting and enabling in-franchise consumption.

The Priority ranking for all services utilizing Union Gas' storage, transmission and distribution system as applied to both in-franchise and ex-franchise services are as follows; with number 1 having the highest priority and the last interrupted.

1. Firm In-franchise Transportation and Distribution services and firm Ex-franchise services (Note 1)
2. In-franchise Interruptible Distribution services
3. C1/M12 IT Transport and IT Exchanges with Take or Pay rates
4. Balancing (Hub Activity) < = 100 GJ/d; Balancing (Direct Purchase) < = 500 GJ/d; In-franchise distribution authorized overrun (Note 3)
5. C1/M12 IT Transport and IT Exchanges at premium rates
6. C1/M12 Overrun < = 20% of CD (Note 4)
7. Balancing (Direct Purchase) > 500 GJ/d
8. Balancing (Hub Activity) > 100 GJ/d; C1/M12 IT Transport and IT Exchanges
9. C1/M12 Overrun > 20% of CD
10. C1/M12 IT Transport and IT Exchanges at a discount
11. Late Nominations

Notes:

1. Nominated services must be nominated on the NAESB Timely Nomination Cycle otherwise they are considered to be late nomination and are therefore interruptible.
2. Higher value or more reliable IT is contemplated in the service and contract, when purchase at market competitive prices.
3. Captures the majority of customers that use Direct Purchase balancing transactions.
4. Captures the majority of customers that use overrun.

2. Capacity Procedures: Union reserves the right to change its procedures for sharing interruptible capacity and will provide Shipper with two (2) months prior notice of any such change.
3. Maintenance: Union's facilities from time to time may require maintenance or construction. If such maintenance or construction is required, and in Union's sole opinion, acting reasonably, such maintenance or construction may impact Union's ability to meet Shipper's requirements, Union shall provide at least ten (10) days notice to Shipper, except in the case of an emergency. In the event the maintenance impacts Union's ability to meet Shipper's requirements, Union shall not be liable for any damages and shall not be deemed in breach of the Contract. To the extent that Union's ability to accept and/or deliver Shipper's gas is impaired, the Monthly demand charge shall be reduced in accordance with Article XI Section 8 and available capacity allocated in accordance with Article XI Section 9 herein.

Union shall use reasonable efforts to determine a mutually acceptable period during which such maintenance or construction will occur and also to limit the extent and duration of any impairments. Union will endeavour to schedule and complete the maintenance and construction, which would normally be expected to impact on Union's ability to meet Shipper's requirements, during the period from April 1 through to November 1.

XIX. SHIPPER'S REPRESENTATIONS AND WARRANTIES

1. Shipper's Warranty: Shipper warrants that it will, if required, maintain, or have maintained on its behalf, all external approvals including the governmental, regulatory, import/export permits and other approvals or authorizations that are required from any federal, state or provincial authorities for the gas quantities to be handled under the Contract. Shipper further warrants that it shall maintain in effect the Facilitating Agreements.
2. Financial Representations: Shipper represents and warrants that the financial assurances (including the Initial Financial Assurances and Security) (if any) shall remain in place throughout the term hereof, unless Shipper and Union agree otherwise. Shipper shall notify Union in the event of any change to the financial assurances throughout the term hereof. Should Union have reasonable grounds to believe that Shipper will not be able to perform or continue to perform any of its obligations under the Contract as a result of one of the following events ("**Material Event**");
 - a. Shipper is in default, which default has not been remedied, of the Contract or is in default of any other material contract with Union or another party; or,
 - b. Shipper's corporate or debt rating falls below investment grade according to at least one nationally recognized rating agency; or,
 - c. Shipper ceases to be rated by a nationally recognized agency; or,
 - d. Shipper has exceeded credit available as determined by Union from time to time,

then Shipper shall within fourteen (14) days of receipt of written notice by Union, obtain and provide to Union a letter of credit or other security in the form and amount reasonably required by Union (the "**Security**"). The Security plus the Initial Financial Assurances shall not exceed twelve (12) months of Monthly demand charges (in accordance with Article IX herein) multiplied by Contract Demand. In the event that Shipper does not provide to Union such Security within such fourteen (14) day period, Union may deem a default under the Default and Termination provisions of Article XII herein.

In the event that Shipper in good faith, reasonably believes that it should be entitled to reduce the amount of or value of the Security previously provided, it may request such a reduction from Union and to the extent that the Material Event has been mitigated or eliminated, Union shall return all or a portion of the Security to Shipper within fourteen (14) Business Days after receipt of the request.

XX. MISCELLANEOUS PROVISIONS

1. Permanent Assignment: Shipper may assign the Contract to a third party ("Assignee"), up to the Contract Demand, (the "Capacity Assigned"). Such assignment shall require the prior written consent of Union and release of obligations by Union for the Capacity Assigned from the date of assignment. Such consent and release shall not be unreasonably withheld and shall be conditional upon the Assignee providing, amongst other things, financial assurances as per Article XXI herein. Any such assignment will be for the full rights, obligations and remaining term of the Contract as relates to the Capacity Assigned.
2. Temporary Assignment: Shipper may, upon notice to Union, assign all or a part of its service entitlement under the Contract (the "Assigned Quantity") and the corresponding rights and obligations to an Assignee on a temporary basis for not less than one calendar month. Such assignment shall not be unreasonably withheld and shall be conditional upon the Assignee executing the Facilitating Agreement as per Article XXI herein. Notwithstanding such assignment, Shipper shall remain obligated to Union to perform and observe the covenants and obligations contained herein in regard to the Assigned Quantity to the extent that Assignee fails to do so.
3. Title to Gas: Shipper represents and warrants to Union that Shipper shall have good and marketable title to, or legal authority to deliver to Union, all gas delivered to Union hereunder. Furthermore, Shipper hereby agrees to indemnify and save Union harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of claims of any or all third parties to such gas or on account of Taxes, or other charges thereon.

XXI. PRECONDITIONS TO TRANSPORTATION SERVICES

1. Union Conditions: The obligations of Union to provide Transportation Services hereunder are subject to the following conditions precedent, which are for the sole benefit of Union and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Union shall have obtained, in form and substance satisfactory to Union, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required to provide the Transportation Services; and,
 - b. Union shall have obtained all internal approvals that are necessary or appropriate to provide the transportation Services; and,
 - c. Union shall have received from Shipper the requisite financial assurances reasonably necessary to ensure Shipper's ability to honour the provisions of the Contract (the "**Initial Financial Assurances**"). The Initial Financial Assurances, if required, will be as determined solely by Union; and,
 - d. Shipper and Union shall have entered into the Interruptible Service HUB Contract or equivalent (the "**Facilitating Agreement**") with Union.
2. Shipper Conditions: The obligations of Shipper hereunder are subject to the following conditions precedent, which are for the sole benefit of Shipper and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Shipper shall, as required, have entered into the necessary contracts with Union and/or others to facilitate the Transportation Services contemplated herein, including contracts for upstream and downstream transportation, and shall specifically have an executed and valid Facilitating Agreement; and shall, as required, have entered into the necessary contracts to purchase the gas quantities handled under the Contract; and,
 - b. Shipper shall have obtained, in form and substance satisfactory to Shipper, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required from federal, state, or provincial authorities for the gas quantities handled under the Contract; and,
 - c. Shipper shall have obtained all internal approvals that are necessary or appropriate for the Shipper to execute the Contract.
3. Satisfaction of Conditions: Union and Shipper shall each use due diligence and reasonable efforts to satisfy and fulfill the conditions precedent specified in this Article XXI Section 1 a, c, and d and Section 2 a and b. Each party shall notify the other forthwith in writing of the satisfaction or waiver of each condition precedent for such party's benefit. If a party concludes that it will not be able to satisfy a condition precedent that is for its benefit, such party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations thereunder.
4. Non-Satisfaction of Conditions: If any of the conditions precedent in this Article XXI Section 1 c or Section 2 are not satisfied or waived by the party entitled to the benefit of that condition by the Conditions Date as such term is defined in the Contract, then either party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations hereunder, provided that any rights or remedies that a party may have for breaches of the Contract prior to such termination and any liability a party may have incurred before such termination shall not thereby be released.

UNION SOUTH - RATE M12
NOMINATIONS

- a) For Services provided either under this rate schedule or referenced to this rate schedule:
- i) For Services required on any day Shipper shall provide Union with details regarding the quantity it desires to be handled at the applicable Receipt Point(s) and/or Delivery Point(s), and such additional information as Union determines to be necessary (a "**Nomination**").
 - ii) All Nominations shall be submitted by electronic means via *Unionline*. Union, in its sole discretion, may amend or modify the nominating procedures or *Unionline* at any time. Nominations shall be submitted so as to be received by Union in accordance with timelines established by Union, which reflect the NAESB standard nomination cycles. Union will accept all Nominations on each of the nomination cycles. Nominations made after the applicable deadline shall not be accepted except at the sole discretion of Union. The nomination cycle timelines are posted on Union's website and the nomination deadlines are provided in *Unionline*.
 - iii) For customers electing firm all day transportation service, nominations shall be provided to Union's Gas Management Services as outlined in the F24 –T Agreement.
- b) Union shall determine whether or not all or any portion of the Nomination will be accepted. In the event Union determines that it will not accept such Nomination, Union shall advise Shipper of the reduced quantity (the "**Quantity Available**") for Services at the applicable points as outlined in each nomination cycle. After receiving such advice from Union but no later than one half hour after the Quantities Available deadline as outlined in each nomination cycle, Shipper shall provide a "**Revised Nomination**" to Union which shall be no greater than the Quantity Available. If such Revised Nomination is not provided within the time allowed as required above or such Revised Nomination is greater than the Quantity Available, then the Revised Nomination shall be deemed to be the Quantity Available. If the Revised Nomination (delivered within the time allowed as required above) is less than the Quantity Available, then such lesser amount shall be the Revised Nomination.
- c) That portion of a Shipper's Nomination or Revised Nomination, as set out in (a) and (b), above, which Union shall accept for Services hereunder, shall be known as Shipper's "**Authorized Quantity**".
- d) If on any day the actual quantities handled by Union, for each of the Services authorized, exceed Shipper's Authorized Quantity, and such excess was caused by either Shipper's incorrect nomination or by its delivering or receiving too much gas, then the amount by which the actual quantities handled for each of the Services exceed Shipper's Authorized Quantity, such excess shall be deemed "**Unauthorized Overrun**".
- e) The daily quantity of gas nominated by Shipper will be delivered by Shipper at rates of flow that are as nearly constant as possible, however, Union shall use reasonable efforts to take receipt of gas on any day at an hourly rate of flow up to one twentieth (1/20) of the quantity received for that day. Union shall have the right to limit Services when on any day the cumulative hourly imbalance between receipts and deliveries exceeds one twentieth (1/20) of the quantity handled for that day, for each applicable Service.
- f) A nomination for a daily quantity of gas on any day shall remain in effect and apply to subsequent days unless and until Union receives a new nomination from Shipper or unless Union gives Shipper written notice that it is not acceptable in accordance with either (a) or (b) of this schedule.
- g) Except for periods of gas or quantity balancing as provided in the Contract, nominations by Shipper for deliveries to Union and redeliveries by Union shall be the same delivery of gas by Union either to Shipper or a Shipper's Account with Union.

UNION SOUTH - RATE M12
NOMINATIONS

1. For Transportation Services required on any Day under the Contract, Shipper shall provide Union with details regarding the quantity of Gas it desires to be handled at the applicable Receipt Point(s) and/or Delivery Point(s), and such additional information as Union determines to be necessary (a "**Nomination**").
2. All Nominations shall be submitted by electronic means via *Unionline*. Union, in its sole discretion, may amend or modify the nominating procedures or *Unionline* at any time. Nominations shall be submitted so as to be received by Union in accordance with timelines established by Union, which reflect the NAESB standard nomination cycles. Union will accept all Nominations on each of the nomination cycles. Nominations made after the applicable deadline shall not be accepted except at the sole discretion of Union. The nomination cycle timelines are posted on Union's website and the nomination deadlines are provided in *Unionline*.
3. Union shall determine whether or not all or any portion of the Nomination will be scheduled at each nomination cycle. With respect to each nomination cycle, in the event Union determines that it will not schedule such Nomination, Union shall advise Shipper of the reduced quantity (the "**Quantities Available**") for Transportation Services at the applicable points as outlined in each nomination cycle. After receiving such advice from Union, but no later than one half hour after the Quantities Available deadline as outlined in each nomination cycle, Shipper shall provide a revised nomination ("**Revised Nomination**") to Union which shall be no greater than the Quantity Available. If such Revised Nomination is not provided within the time allowed as required above or such Revised Nomination is greater than the Quantities Available, then the Revised Nomination shall be deemed to be the Quantities Available. If the Revised Nomination (delivered with the time allowed as required above) is less than the Quantity Available, then such lesser amount shall be the Revised Nomination.
4. For Shippers electing firm all day transportation service, nominations shall be provided to Union's Gas Management Services as outlined in the F24 –T Agreement.
5. For Transportation Services requiring Shipper to provide compressor fuel in kind, the nominated fuel requirements will be calculated by rounding to the nearest whole GJ.
6. All Timely Nominations shall have rollover options. Specifically, Shippers shall have the ability to nominate for several days, months or years, provided the Nomination start date and end date are both within the term of the Transportation Agreement.
7. Nominations received after the nomination deadline shall, if accepted by Union, be scheduled after Nominations received before the nomination deadline.
8. All Services are required to be nominated in whole Gigajoules (GJ).
9. To the extent Union is unable to complete a Nomination confirmation due to inaccurate, untimely or incomplete data involving an Interconnecting Pipeline entity, Union shall undertake reasonable efforts to confirm the transaction on a non-discriminatory basis until such time that the transaction is adequately verified by the parties, or until such time that Union determines that the Nomination is invalid at which time the Union shall reject the Nomination.
10. That portion of a Shipper's Nomination or Revised Nomination, as set out in paragraphs 1 and 3 above, which Union shall schedule for Transportation Services hereunder, shall be known as Shipper's "**Authorized Quantity**".
11. If on any day the actual quantities handled by Union, for each of the Transportation Services authorized, exceed Shipper's Authorized Quantity, and such excess was caused by either Shipper's incorrect nomination or by its delivering or receiving too much gas, then the amount by which the actual quantities handled for each of the Transportation

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Services exceed Shipper's Authorized Quantity shall be deemed "**Unauthorized Overrun**".

12. The daily quantity of gas nominated by Shipper will be delivered by Shipper at rates of flow that are as nearly constant as possible, however, Union shall use reasonable efforts to take receipt of gas on any day at an hourly rate of flow up to one twentieth (1/20th) of the quantity received for that day. Union shall have the right to limit Transportation Services when on any day the cumulative hourly imbalance between receipts and deliveries exceeds one twentieth (1/20th) of the quantity handled for that day, for each applicable Transportation Service.
13. The parties hereto recognize that with respect to Transportation Services, on any day, receipts of gas by Union and deliveries of gas by Union may not always be exactly equal, but each party shall cooperate with the other in order to balance as nearly as possible the quantities transacted on a daily basis, and any imbalances arising shall be allocated to the Facilitating Agreement and shall be subject to the respective terms and charges contained therein, and shall be resolved in a timely manner.
14. Shipper may designate via *Unionline* access request form, a third party as agent for purposes of providing a Nomination, and for giving and receiving notices related to Nominations, and Union shall only accept nominations from the agent. Any such designation, if acceptable to Union, shall be effective following the receipt and processing of the written notice and will remain in effect until revoked in writing by Shipper.

ENBRIDGE GAS INC.

Union South

M12 Monthly Transportation Fuel Ratios and Fuel Rates

Firm or Interruptible Transportation Commodity

Effective April 1, 2019

Month	VT1 Easterly Dawn to Parkway (TCPL), Parkway (EGT) With Dawn Compression		VT1 Easterly Dawn to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		M12-X Westerly Kirkwall to Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	0.879	0.034	0.546	0.021	0.158	0.006
May	0.626	0.024	0.373	0.015	0.158	0.006
June	0.523	0.019	0.275	0.011	0.158	0.006
July	0.508	0.019	0.262	0.010	0.158	0.006
August	0.405	0.016	0.159	0.006	0.158	0.006
September	0.401	0.016	0.159	0.006	0.158	0.006
October	0.750	0.030	0.461	0.017	0.158	0.006
November	0.894	0.034	0.624	0.024	0.158	0.006
December	1.012	0.040	0.743	0.029	0.158	0.006
January	1.166	0.045	0.882	0.034	0.158	0.006
February	1.107	0.042	0.831	0.032	0.158	0.006
March	1.033	0.040	0.742	0.029	0.158	0.006

Month	M12-X Easterly Kirkwall to Parkway (TCPL), Parkway (EGT)		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	0.491	0.018	0.158	0.006	0.301	0.012
May	0.411	0.016	0.158	0.006	0.301	0.012
June	0.406	0.016	0.158	0.006	0.301	0.012
July	0.404	0.016	0.158	0.006	0.301	0.012
August	0.404	0.016	0.158	0.006	0.301	0.012
September	0.400	0.016	0.158	0.006	0.301	0.012
October	0.448	0.018	0.158	0.006	0.301	0.012
November	0.427	0.017	0.158	0.006	0.158	0.006
December	0.428	0.017	0.158	0.006	0.158	0.006
January	0.442	0.018	0.158	0.006	0.158	0.006
February	0.434	0.017	0.158	0.006	0.158	0.006
March	0.449	0.018	0.158	0.006	0.158	0.006

ENBRIDGE GAS INC.

Union South

M12 Monthly Transportation Authorized Overrun Fuel Ratios and Fuel Rates

Firm or Interruptible Transportation Commodity

Effective April 1, 2019

Month	VT1 Easterly Dawn to Parkway (TCPL), Parkway (EGT) With Dawn Compression		VT1 Easterly Dawn to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		M12-X Westerly Kirkwall to Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	1.499	0.180	1.166	0.167	0.778	0.181
May	1.246	0.171	0.993	0.161	0.778	0.181
June	1.143	0.166	0.895	0.157	0.778	0.181
July	1.128	0.166	0.882	0.156	0.778	0.181
August	1.025	0.162	0.779	0.153	0.778	0.181
September	1.021	0.162	0.779	0.153	0.778	0.181
October	1.371	0.174	1.081	0.163	0.778	0.181
November	1.514	0.180	1.244	0.171	0.778	0.181
December	1.632	0.187	1.363	0.174	0.778	0.181
January	1.786	0.191	1.502	0.180	0.778	0.181
February	1.727	0.189	1.451	0.178	0.778	0.181
March	1.653	0.187	1.362	0.174	0.778	0.181

Month	M12-X Easterly Kirkwall to Parkway (TCPL), Parkway (EGT)		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	1.111	0.193	0.778	0.181	0.921	0.186
May	1.031	0.191	0.778	0.181	0.921	0.186
June	1.026	0.191	0.778	0.181	0.921	0.186
July	1.024	0.191	0.778	0.181	0.921	0.186
August	1.024	0.191	0.778	0.181	0.921	0.186
September	1.020	0.191	0.778	0.181	0.921	0.186
October	1.068	0.192	0.778	0.181	0.921	0.186
November	1.047	0.192	0.778	0.181	0.778	0.181
December	1.048	0.192	0.778	0.181	0.778	0.181
January	1.062	0.191	0.778	0.181	0.778	0.181
February	1.054	0.192	0.778	0.181	0.778	0.181
March	1.069	0.192	0.778	0.181	0.778	0.181

**UNION SOUTH - RATE M12
RECEIPT AND DELIVERY POINTS AND PRESSURES**

1. Receipt and Delivery Points:

The following defines each Receipt Point and/or Delivery Point, as indicated (R= Receipt Point; D= Delivery Point)

R,D	<u>DAWN (FACILITIES):</u>	Union's Compressor Station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn-Euphemia, in the County of Lambton. This point is applicable for quantities of gas that have been previously transported or stored under other contracts that Shipper may have in place with Union.
R	<u>DAWN (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Dawn (Facilities).
R	<u>DAWN (TECUMSEH):</u>	At the junction of Union's and Enbridge Gas Inc.'s (Enbridge) Tecumseh Gas Storage's facilities, at or adjacent to Dawn (Facilities).
R	<u>DAWN (TSLE):</u>	At the junction of Union's and Enbridge's NPS 16 Tecumseh Sombra Line Extension facilities; at or adjacent to Dawn (Facilities).
R	<u>DAWN (VECTOR):</u>	At the junction of Union's and Vector Pipeline Limited Partnership ("Vector") facilities, at or adjacent to Dawn (Facilities).
R,D	<u>PARKWAY (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Union's facilities situated in the Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga).
R,D	<u>KIRKWALL:</u>	At the junction of Union's and TCPL's facilities at or adjacent to Union's facilities situated in Part Lot Twenty-Five (25), Concession 7, Town of Flamborough.
D	<u>PARKWAY (CONSUMERS):</u>	At the junction of Union's and Enbridge's facilities, at or adjacent to Union's facilities situated in Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga).
D	<u>PARKWAY (EGT):</u>	At the junction of Union's and Enbridge's facilities, at or adjacent to Union's facilities situated in Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga).
D	<u>LISGAR:</u>	At the junction of the facilities of Union and Enbridge situated at 6620 Winston Churchill Boulevard, City of Mississauga.

2. Receipt and Delivery Pressures:

(a) All Gas tendered by or on behalf of Shipper to Union shall be tendered at the Receipt Point(s) at Union's prevailing pressure at that Receipt Point, or at such pressure as per operating agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(b) All Gas tendered by or on behalf of Union to Shipper shall be tendered at the Delivery Point(s) at Union's prevailing pressure at that Delivery Point or at such pressure as per agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(c) Under no circumstances shall Union be obligated to receive or deliver gas hereunder at pressures exceeding the maximum allowable operating pressures prescribed under any applicable governmental regulations; nor shall Union be required to make any physical deliveries or to accept any physical receipts which its existing facilities cannot accommodate.

ENBRIDGE GAS INC.
UNION SOUTH
TRANSPORTATION OF LOCALLY PRODUCED GAS

(A) Applicability

The charges under this rate schedule shall be applicable to a customer who enters into a contract with Union for gas received at a local production point to be transported to Dawn.

Applicable Points

Dawn as a delivery point: Dawn (Facilities).

(B) 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.

Demand Commodity

	Demand Charge Rate/Month	Commodity Charge Rate/GJ	Union Supplied Fuel	Shipper Supplied Fuel	
			Fuel and Commodity Charge Rate/GJ	Fuel Ratio %	AND
1. Monthly fixed charge per Customer Station	\$957.58				
2. Transmission Commodity Charge		\$0.035			
3. Delivery Commodity Charge			\$0.006	0.158%	
4. Facility Carbon Charge (in addition to the Delivery Commodity Charge)			\$0.002		\$0.002

These charges are in addition to the transportation, storage and/or balancing charges which shall be paid for under Rate M12 or Rate C1, or other services that may be negotiated.

5. Overrun Services

Authorized Overrun

Authorized overrun will be payable on all quantities transported in excess of Union's obligation on any day. The overrun charges payable will be calculated at the identified authorized overrun charge plus the facility carbon charge. Overrun will be authorized at Union's sole discretion.

	Union Supplied Fuel	Shipper Supplied Fuel		
	Fuel and Commodity Charge Rate/GJ	Fuel Ratio %	AND	Commodity Charge Rate/GJ
Authorized Overrun Charge	\$0.136	0.158%		\$0.130
Facility Carbon Charge (in addition to the Authorized Overrun Charge)	\$0.002			\$0.002

Unauthorized Overrun

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

The Unauthorized Overrun rate during the November 1 to April 15 period will be \$50 per GJ for all usage on any day in excess of 102% of Union's contractual obligation. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$9.373 per GJ for all usage on any day in excess of 102% of Union's contractual obligation.

(C) Terms of Service

The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A 2013" for contracts in effect on or after January 1, 2013.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

UNION SOUTH - RATE M13
GENERAL TERMS & CONDITIONS

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

"Aid to Construction" shall include any and all costs, expenses, amounts, damages, obligations, or other liabilities (whether of a capital or operating nature, and whether incurred before or after the date of the Contract) actually paid by Union (including amounts paid to affiliates for services rendered in accordance with the Affiliate Relationships Code as established by the OEB) in connection with or in respect of satisfying the conditions precedent set out in Article XXI herein (including without limitation the cost of construction, installation and connection of any required meter station as described in Article IX, Section 6, the obtaining of all governmental, regulatory and other third party approvals, and the obtaining of rights of way) whether resulting from Union's negligence or not, except for any costs that have arisen from the gross negligence, fraud, or wilful misconduct of Union;

"Average Local Producer Heat" ("ALPH") shall mean the heat content value as set by Union, and shall be determined by volumetrically averaging the gross heat content of all produced gas delivered to the Union system by Ontario Local Producers. The ALPH shall be expressed in GJ/10³m³ and may be adjusted from time to time by Union;

"Business Day" shall mean any day, other than Saturday, Sunday or any days on which national banks in the Province of Ontario are authorized to close;

"Contract" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

"Contract Year" shall mean a period of three hundred and sixty-five (365) consecutive days; provided however, that any such period which contains a date of February 29 shall consist of three hundred and sixty-six (366) consecutive days, commencing on November 1 of each year; except for the first Contract Year which shall commence on the Commencement Date and end on the first October 31 that follows such date;

"cricondenthem hydrocarbon dewpoint" shall mean the highest hydrocarbon dewpoint temperature on the phase envelope;

"cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"Dawn Quantity" shall mean the total daily quantity of gas in GJ delivered at Dawn (Facilities), which is equal to the total energy of all gas supplied daily to Union at the Receipt Point(s). The Dawn Quantity shall be calculated utilizing the following factor equation: Dawn Quantity = Produced Volume x ALPH;

"Day" shall mean a period of twenty-four (24) consecutive hours beginning at 10:00 a.m. Eastern Clock Time. The reference date for any Day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

"Delivery Point" shall mean the point where Union shall deliver the Dawn Quantity and/or Market Quantity to Shipper and as further defined in Schedule 1 of the Contract;

"Distribution Demand" shall mean the varying demand for the supply of gas, as determined by Union, on Union's pipeline and distribution system for users of gas who are supplied or delivered gas by Union's pipeline and distribution system;

"Eastern Clock Time" shall mean the local clock time in the Eastern Time Zone on any Day;

"firm" shall mean service not subject to curtailment or interruption except under Articles XI, XII and XVIII herein;

"Firm Daily Variability Demand" shall mean the established quantity set forth in Schedule 2 of the Contract, which is the

permitted difference between the Dawn Quantity and the Market Quantity;

"gas" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Sch. B, as amended, supplemented or re-enacted from time to time;

"gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

"hydrocarbon dewpoint" shall mean temperature at a specific pressure where hydrocarbon vapour condensation begins;

"Interruptible Service HUB Contract" shall mean a contract between Shipper and Union under which Union provides interruptible HUB service;

"Interconnecting Pipeline" shall mean a pipeline that directly connects to the Union pipeline and distribution system;

"joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;

"m³" shall mean cubic metre of gas and "10³m³" shall mean 1,000 cubic metres of gas;

"MAOP" shall mean the maximum allowable operating pressure of Union's pipeline and distribution system and as further defined in Schedule 1 of the Contract;

"Market Quantity" shall mean the daily quantity in GJ nominated for Name Change Service that Day by Shipper at Dawn (Facilities);

"Maximum Daily Quantity" shall mean the maximum quantity of gas Shipper may deliver to Union at a Receipt Point on any Day, as further defined in Schedule 1;

"Month" shall mean the period beginning at 10:00 a.m. Eastern Clock Time on the first day of a calendar month and ending at 10:00 a.m. Eastern Clock Time on the first day of the following calendar month;

"Name Change Service" shall mean an interruptible administrative service whereby Union acknowledges for Shipper a change in title of a gas quantity from Shipper to a third party at the Delivery Point;

"OEB" means the Ontario Energy Board;

"pascal" "(Pa)" shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" "(kPa)" shall mean 1,000 pascals;

"Produced Volume" shall mean the aggregate of all actual volumes of gas in 10³m³, delivered by Shipper to Union at all Receipt Points on any Day;

"Producer Balancing Account" shall mean the gas balance held by Union for Shipper, or owed by Shipper to Union, at the Delivery Point. Where the Producer Balancing Account is zero or a positive number, the account is in a credit position, and where the Producer Balancing Account is less than zero, the account is in a debit position;

"Producer Balancing Service" shall mean a Service whereby Union either calculates a credit or debit to the Producer Balancing Account by subtracting the Market Quantity from the Dawn Quantity. Where such amount is greater than zero, Union will credit the Producer Balancing Account, or where such amount is less than zero, Union will debit the Producer Balancing Account. This Service shall be performed on a retroactive basis on the terms and conditions contained in Schedule 2 of the Contract, as may be revised from time to time by Union;

"Receipt Point" shall mean the point(s) where Union shall receive gas from Shipper;

"Sales Agreement" shall mean the Ontario Gas Purchase Agreement(s) entered into between Shipper and Union;

"Shipper" shall have the meaning as defined in the Contract, and shall also include Shipper's agent(s);

"specific gravity" shall mean density of the gas divided by density of air, with both at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"System Capacity" shall mean the volumetric capacity that exists from time to time within Union's pipeline and distribution system which determines Union's ability to accept volumes of gas into Union's pipeline and distribution system hereunder. System Capacity shall be determined by Union and such determination, in addition to the physical characteristics of Union's pipeline and distribution system Distribution Demand, shall also include consideration of Union's local Distribution Demand, Union's total system Distribution Demand, availability of Union's gas storage capacity, and other gas being purchased and/or delivered into Union's pipeline and distribution system;

"Taxes" shall mean any tax (other than tax on income or tax on property), duty, royalty, levy, license, fee or charge not included in the charges and rates as per the applicable rate schedule (including but not limited to charges under any form of cap and trade, carbon tax, or similar system) and that is levied, assessed or made by any governmental authority on the gas itself, or the act, right, or privilege of producing, severing, gathering, storing, transporting, handling, selling or delivering gas under the Contract;

"Union" shall mean Enbridge Gas Inc. operating as Union Gas;

"Wobbe Number" shall mean gross heating value of the gas divided by the square root of its specific gravity.

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons, except methane, may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.
2. Freedom from objectionable matter: The gas to be delivered to Union at the Receipt Point(s) hereunder,
 - a. shall be commercially free from bacteria, sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to, or interference with, the proper operation of the lines, regulators, meters or other appliances through which it flows,
 - b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas, nor more than one hundred (100) milligrams of total sulphur per cubic metre of gas,
 - c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,
 - d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,
 - e. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,
 - f. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,
 - g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,
 - h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of gas,
 - i. shall not have a cricondenthem hydrocarbon dewpoint exceeding minus eight (-8) degrees Celsius,

- j. shall have Wobbe Number from forty seven point fifty (47.50) megajoules per cubic metre of gas to fifty one point forty six (51.46) megajoules per cubic metre of gas, maximum of one point five (1.5) mole percent by volume of butane plus (C4+) in the gas, and maximum of four point zero (4.0) mole percent by volume of total inerts in the gas in order to be interchangeable with other Interconnecting Pipeline gas,
 - k. shall not exceed forty-three degrees Celsius (43°C), and,
 - l. shall not be odourized by Shipper.
3. Non-conforming Gas:
- a. In the event that the quality of the gas does not conform or if Union, acting reasonably, suspects the quality of the gas may not conform to the specifications herein, then Shipper shall, if so directed by Union acting reasonably, forthwith carry out, at Shipper's cost, whatever field testing of the gas quality as may be required to ensure that the quality requirements set out herein are met, and to provide Union with a certified copy of such tests. If Shipper does not carry out such tests forthwith, Union may conduct such test and Shipper shall reimburse Union for all costs incurred by Union for such testing.
 - b. If Shipper's gas fails at any time to conform to the requirements of this Article II, Union, in addition to its other remedies, may refuse to accept delivery of gas at the Receipt Points hereunder until such deficiency has been remedied by Shipper. Each Party agrees to notify the other verbally, followed by written notification, of any such deficiency of quality.
4. Quality of Gas Received: The quality of the gas to be received by Union at the Receipt Point(s) hereunder is to be of a merchantable quality and in accordance with the quality standards as set out by Union in this Article II, but, Union will use reasonable efforts to accept gas of a quality that may deviate from the quality standards set out therein.
5. Quality of Gas at Dawn: The quality of the gas to be delivered to Union at Dawn (Facilities) or the gas to be delivered by Union to Shipper at Dawn (Facilities) hereunder is to be of a merchantable quality and in accordance with the quality standards and measurement standards as set out by Union in this Article II, except that total sulphur limit shall be not more than four hundred and sixty (460) milligrams per cubic metre of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in this Article II.

III. MEASUREMENTS

- 1. Service Unit: The unit of the gas delivered to Union shall be a quantity of 10³m³. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m³) or one thousand cubic metres (10³m³) at Union's discretion.
- 2. Determination of Volume and Energy:
 - a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), RSC 1985, c E-4- (the "Act") and the Electricity and Gas Inspection Regulations, SOR 86/131 (the "Regulations"), and any documents issued under the authority of the Act and Regulations and any amendments thereto.
 - b. The supercompressibility factor shall be determined in accordance with either the "**Manual for Determination of Supercompressibility Factors for Natural Gas**" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.
 - c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII herein.

IV. RECEIPT POINT AND DELIVERY POINT

The point(s) of receipt and point of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in Schedule 1 of the Contract, where possession of the gas changes from one party to the other.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

1. Possession of Gas: Union accepts no responsibility for any gas prior to such gas being delivered to Union at the Receipt Point or after its delivery by Union at the Delivery Point. As between the parties hereto, Union shall be deemed to be in control and possession of and responsible for all such gas from the time that such gas enters Union's system until such gas is delivered to Shipper.
2. Liability: Shipper agrees that Union is not a common carrier and is not an insurer of Shipper's gas, and that Union shall not be liable to Shipper or any third party for loss of gas in Union's possession, except to the extent such loss is caused entirely by Union's negligence or wilful misconduct.

VI. FACILITIES ON SHIPPER'S PROPERTY

1. Meter Station: Union shall provide, at the Receipt Point(s), according to the terms hereunder, the meter station required to receive and measure the Produced Volume of gas received by Union from Shipper. Shipper agrees, if requested by Union, to provide Union with sufficient detailed information regarding Shipper's current and expected operations in order to aid Union in Union's design of the meter station.
2. Union Obligations: Pursuant to Article VI. Section 1 herein, Union shall purchase, install and maintain, at the Receipt Point(s):
 - a. a meter and any associated recording gauges as are necessary; and,
 - b. a suitable gas odourizing injection facility where Union deems such facility to be necessary.
3. Union Equipment: All equipment installed by Union at the Receipt Point(s) shall remain the property of Union at all times, notwithstanding the fact that it may be affixed to Shipper's property. Union shall be entitled to remove said equipment at any time within a period of sixty (60) days from any termination or expiry of the Contract. Shipper shall take all necessary steps to ensure Union may enter onto the Receipt Point(s) to remove such equipment for a period of sixty (60) days after termination or expiry of the Contract or the Sales Agreement.
4. Shipper Obligations: Upon Union's request Shipper shall, at Shipper's own cost and expense:
 - a. obtain a registered lease or freehold ownership at the Receipt Point(s) sufficient to provide Union with free uninterrupted access to, from, under and above the Receipt Point(s), for a term (and extended terms) identical to the Contract, plus sixty (60) days, and shall provide Union with a bona fide copy of such lease agreement prior to Union commencing the construction of the meter station;
 - b. furnish, install, set, and maintain suitable pressure and volume control equipment and such additional equipment as required on Shipper's delivery system, to protect against the overpressuring of Union's facilities, and to limit the daily flow of gas to the corresponding Maximum Daily Quantity applicable to the Receipt Point(s);
 - c. supply, install and maintain a gravel or cut stone covering on each Receipt Point and shall maintain such Receipt Point(s) in a safe and workmanlike manner; and,
 - d. install and maintain a fence satisfactory to Union around the perimeter of each Receipt Point which will adequately secure and protect Union's equipment therein.
5. Maintenance Costs: Shipper shall within thirty (30) days of the delivery of an invoice by Union, reimburse Union for any actual costs reasonably incurred by Union for any repair, replacement, relocation, or upgrading of any meter station

requested by Shipper, or as required by law, or by duly constituted regulatory body, or through good engineering practice. Union shall be responsible for any costs incurred by Union to correct an error made by Union.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III herein.
2. Metering by Others: In the event that all or any gas received or delivered hereunder is measured by a meter that is owned and operated by an upstream or downstream transporter (the "Transporter") whose facilities may or may not interconnect with Union's, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas received or delivered on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union pursuant to this Article VII, Section 2 shall be in accordance with the general terms and conditions as incorporated in that Transporter's gas tariff as approved by Transporter's regulatory body.
3. Check Measuring Equipment: Shipper may install, maintain and operate, at the Receipt Point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the Receipt Point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.
4. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party notifies the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing receipts of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Act and Regulations, as may be amended from time to time and in accordance with any successor statutes and regulations.
5. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the tenth (10th) day of each month for all Services furnished during the preceding Month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding Month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the tenth (10th) day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.
2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.
3. Amendment of Statements: For the purpose of completing a final determination of the actual quantities of gas handled in any of the Services to Shipper, the parties shall have the right to amend their statement for a period equal to the time during which the companies, that transport the gas contemplated herein for Union and Shipper, retain the right to amend their statements, which period shall not exceed three (3) years from the date of termination of the Contract.

IX. PAYMENTS

1. Monthly Payments: Shipper shall pay the invoiced amount directly into Union's bank account as directed on the invoice on or before the twentieth (20th) day of each month. If the payment date is not a Business Day, then payment must be received in Union's account on the first Business Day preceding the twentieth (20th) day of the month.
2. Remedies for Non-payment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,
 - a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment; and,
 - b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend Services until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend Services because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

Notwithstanding the foregoing, Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "**bill next following**" shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within three (3) years from the date of the incorrect billing. In the event any refund is issued with Shipper's bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.
4. Taxes: In addition to the charges and rates as per the applicable rate schedules and price schedules, Shipper shall pay all Taxes which are imposed currently or subsequent to the execution of the Contract by any legal authority having jurisdiction and any amount in lieu of such Taxes paid or payable by Union.
5. Set Off: If either party shall, at any time, be in arrears under any of its payment obligations to the other party under the Contract, then the party not in arrears shall be entitled to reduce the amount payable by it to the other party in arrears under the Contract, or any other contract, by an amount equal to the amount of such arrears or other indebtedness to the other party. In addition to the foregoing remedy, Union may, upon forty-eight (48) hours verbal notice, to be followed by written notice, take possession of any or all of Shipper's gas under the Contract, which shall be deemed to have been assigned to Union, to reduce such arrears or other indebtedness to Union.
6. Station and Connection Costs: In the event that a meter station must be constructed and/or installed in order to give effect to the Contract, Shipper agrees to pay Union for a portion, as determined by Union, of Union's actual cost, as hereinafter defined, for constructing and installing such station. Shipper also agrees to pay the actual costs to connect such station to Union's pipeline and distribution system. Union shall advise Shipper as to the need for a meter station and shall provide Shipper with an estimate of the Aid to Construction. Such Aid to Construction shall include the costs of all pipe, fittings and materials, third party labour costs and Union's direct labour, labour saving devices, vehicles and

mobile equipment, but shall exclude the purchase costs of gas pressure control equipment and gas meters installed by Union.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act, 1991, or any act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. Definition: The term "**force majeure**" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.
2. Notice: In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.
3. Exclusions: Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not, as soon as possible after determining, or within a period within which it should acting reasonably have determined, that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract, give to the other party the notice required hereunder.
4. Notice of Remedy: The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.
5. Obligation to Perform: An event of force majeure on Union's system will excuse the failure to deliver gas by Union or the failure to accept gas by Union hereunder, and both parties shall be excused from performance of their obligations hereunder, except for payment obligations, to the extent of and for the duration of the force majeure.
6. Upstream or Downstream Force Majeure: An event of force majeure upstream or downstream of Union's system shall not relieve Shipper of any payment obligations.
7. Delay of Services: Despite Article XI herein, if Union is prevented, by reason of an event of force majeure on Union's system from delivering gas on the Day or Days upon which Union has accepted gas from Shipper, Union shall thereafter make all reasonable efforts to deliver such quantities as soon as practicable and on such Day or Days as are agreed to

by Shipper and Union. If Union accepts such gas on this basis, Shipper shall not receive any demand charge relief as contemplated under Article XI herein.

8. Firm Daily Variability Demand Charge Relief: Despite Article XI herein, if on any Day Union fails to accept gas from Shipper by reason of an event of force majeure on Union's system and fails to deliver the quantity of gas nominated hereunder by Shipper up to the Firm Daily Variability Demand for that Contract, then for that Day the Monthly charge shall be reduced by an amount equal to the applicable Firm Daily Variability Demand Rate, as defined in this paragraph, multiplied by the difference between the quantity of gas actually delivered by Union during such Day and the quantity of gas which Shipper in good faith nominated on such Day. The term "**Firm Daily Variability Demand Rate**" shall mean the monthly Firm Daily Variability Demand charge as provided in Schedule 2 of the Contract, divided by the number of days in the month for which such rate is being calculated.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI herein) which has not been waived by the other party, then and in every such case and as often as the same may happen, the non-defaulting party may give written notice to the defaulting party requiring it to remedy such default and in the event of the defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

In the event that the Contract is terminated pursuant to this Article XII, the parties hereto agree that they shall continue to be bound only by the terms and conditions set forth in the Contract but only for the purpose of determining the actual quantities in Shipper's Producer Balancing Account with such determination being subject to Article X. Such extended period of time shall not exceed one (1) year from the date of termination of the Contract.

XIII. AMENDMENT

Subject to Article XV herein and the ability of Union to amend the applicable rate schedules and price schedules, with the approval of the OEB (if required), no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

No waiver of any provision of the Contract shall be effective unless the same shall be in writing and signed by the party entitled to the benefit of such provision and then such waiver shall be effective only in the specific instance and for the specified purpose for which it was given. No failure on the part of Shipper or Union to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy under the Contract shall operate as a waiver thereof.

XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

XVI. RESERVED FOR FUTURE USE

N/A

XVII. RENEWALS

The Contract will continue in full force and effect beyond the Initial Term, automatically renewing for a period of one (1) year, and every one (1) year thereafter, subject to notice in writing by either party of termination at least three (3) months prior to the expiration thereof.

XVIII. SERVICE CURTAILMENT

1. Verbal Notice: Excepting instances of emergency, Shipper and Union agree to give at least twenty-four (24) hours verbal notice before a planned curtailment of receipt or delivery, shut-down or start-up.
2. Emergency: Shipper shall complete and maintain a plan which depicts all of the Shipper's gas production facilities including all emergency shut off valves and emergency equipment and provide a copy to Union upon Union's request. Shipper shall provide to Union the names and telephone numbers of those persons whom Union may contact in the event of an emergency situation arising within the Shipper's facilities.
3. Emergency Notice: In the event that Union is notified by a third party or if Union becomes aware of an emergency situation in which Shipper's gas production site, pipeline or associated equipment is involved, Union shall immediately notify Shipper or Shipper's representative of such emergency condition.
4. Right to Modify: Union shall have the right, at all times, to reconstruct or modify Union's pipeline and distribution system and the pressure carried therein, notwithstanding that such reconstruction or modification may reduce the System Capacity available to receive Shipper's gas, or Shipper's ability to deliver gas to Union. Should Union expect any such reconstruction or modification to reduce the delivery or receipt of gas by either party, Union will, where able, provide Shipper with six (6) months' notice or as much notice as is reasonably practical in the circumstances. Union shall use reasonable efforts to assist the Shipper in meeting its Market Quantity in these circumstances.

XIX. SHIPPER'S REPRESENTATIONS AND WARRANTIES

1. Shipper's Warranty: Shipper warrants that it will, if required, maintain, or have maintained on its behalf, all external approvals including the governmental, regulatory, import/export permits and other approvals or authorizations that are required from any federal, state or provincial authorities for the gas quantities to be handled under the Contract. Shipper further warrants that it shall maintain in effect the Facilitating Agreements.
2. Financial Representations: Shipper represents and warrants that the financial assurances (including the Initial Financial Assurances and Security), if any, shall remain in place throughout the term hereof unless Shipper and Union agree otherwise. Shipper shall notify Union in the event of any change to the financial assurances (including the Initial Financial Assurances and Security), if any, throughout the term hereof. Should Union have reasonable grounds to believe that Shipper will not be able to perform or continue to perform any of its obligations under the Contract for any reason (a "Material Event"), then Shipper shall within fourteen (14) days of receipt of written notice by Union, obtain and provide to Union a letter of credit or other security in the form and amount reasonably required by Union (the "Security"). In the event that Shipper does not provide to Union such Security, Union may deem a default in accordance with the provisions of Article XII herein.

In the event that Shipper in good faith, reasonably believes that it should be entitled to reduce the amount of or value of the Security previously provided, it may request such a reduction from Union and to the extent that the Material Event has been mitigated or eliminated, Union shall return all or a portion of the Security to Shipper within fourteen (14) Business Days after receipt of the request.

3. Licence: Shipper represents and warrants to Union that Shipper possesses a licence to produce gas in the Province of Ontario.

XX. MISCELLANEOUS PROVISIONS

1. Assignment: Shipper may assign the Contract to a third party ("**Assignee**"), up to the Maximum Daily Quantity, (the "**Capacity Assigned**"). Such assignment shall require the prior written consent of Union and release of obligations by Union for the Capacity Assigned from the date of assignment. Such consent and release shall not be unreasonably withheld and shall be conditional upon the Assignee providing, amongst other things, financial assurances as per Article XXI herein. Any such assignment will be for the full rights, obligations and remaining term of the Contract as relates to the Capacity Assigned.
2. Title to Gas: Shipper represents and warrants to Union that Shipper shall have good and marketable title to, or legal authority to deliver to Union, all gas delivered to Union hereunder. Furthermore, Shipper hereby agrees to indemnify and save Union harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of claims of any or all third parties to such gas or on account of Taxes, or other charges thereon.

XXI. PRECONDITIONS TO SERVICES

1. Union Conditions: The obligations of Union to provide Services hereunder are subject to the following conditions precedent, which are for the sole benefit of Union and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Union shall have obtained, in form and substance satisfactory to Union, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required to provide the Services; and,
 - b. Union shall have obtained all internal approvals that are necessary or appropriate to provide the Services; and,
 - c. Union shall have received from Shipper the requisite financial assurances reasonably necessary to ensure Shipper's ability to honour the provisions of the Contract (the "**Initial Financial Assurances**"). The Initial Financial Assurances, if required, will be as determined solely by Union; and,
 - d. Shipper and Union shall have entered into the Interruptible Service HUB Contract or equivalent (the "**Facilitating Agreement**") with Union; and,
 - e. Union shall, where applicable, have obtained all internal and external approvals including the governmental, regulatory and other approvals or authorizations required to construct any facilities necessary to provide the Services hereunder, which approvals and authorizations, if granted upon conditions, shall be conditions satisfactory to Union; and,
 - f. Union shall, where applicable, have completed and placed into service those facilities necessary to provide the Services hereunder; and,
 - g. Further to Article IX Section 6 herein, Shipper shall pay to Union a payment ("**First Prepayment**") towards the Aid to Construction at the time of the execution of this Agreement. Shipper shall pay a payment prior to installation of the meter station ("**Second Prepayment**"). The foregoing payments are specified in the attached Schedule 1 for the first meter station ("**Receipt Point #1**") to be installed under the Contract. Payments for additional meter stations will be handled by written mutual agreement between the parties. Shipper shall pay Union the difference if the actual Aid to Construction is more than the Prepayments, within thirty (30) days of the delivery of an invoice from Union on which the actual costs for construction and installation of facilities are stated. Union shall pay Shipper the difference if the actual Aid to Construction is less than the Prepayments. In the event Shipper terminates this Agreement prior to Union incurring any costs related to the construction, installation or connection of the meter station, Shipper's Prepayments shall be returned to Seller, without interest, within fifteen (15) days notice to Union of such termination by Shipper. In the event Union has incurred costs, as set out herein, relative to the construction, installation or connection of the meter station prior to being notified by Shipper of Shipper's intention to terminate the Agreement, Union shall deduct such actual costs from Union's return of Shipper's Prepayments. "**Prepayments**" shall mean the sum of the First Prepayment and the Second

Prepayment.

2. Shipper Conditions: The obligations of Shipper hereunder are subject to the following conditions precedent, which are for the sole benefit of Shipper and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Shipper shall, as required, have entered into the necessary contracts with Union and/or others to facilitate the Services contemplated herein, including contracts for upstream and downstream transportation, and shall specifically have an executed and valid Facilitating Agreement; and,
 - b. Shipper shall have obtained, in form and substance satisfactory to Shipper, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required from federal, state, or provincial authorities for the gas quantities handled under the Contract; and,
 - c. Shipper shall have obtained all internal approvals that are necessary or appropriate for the Shipper to execute the Contract; and,
 - d. Shipper shall have cancelled or renegotiated its Sales Agreement, on terms satisfactory to Union, as applicable.
3. Satisfaction of Conditions: Union and Shipper shall each use due diligence and reasonable efforts to satisfy and fulfil the conditions precedent specified in this Article XXI Section 1 a, c, d, e, f, g, and Section 2 a, b, and d. Each party shall notify the other forthwith in writing of the satisfaction or waiver of each condition precedent for such party's benefit. If a party concludes that it will not be able to satisfy a condition precedent that is for its benefit, such party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations thereunder.
4. Non-Satisfaction of Conditions: If any of the conditions precedent in this Article XXI Section 1 c or Section 2 are not satisfied or waived by the party entitled to the benefit of that condition by the Conditions Date as such term is defined in the Contract, or if any of the Shipper payments required under the condition precedent in this Article XXI Section 1 g have not been paid as required in such section, then either party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations hereunder, provided that any rights or remedies that a party may have for breaches of the Contract prior to such termination and any liability a party may have incurred before such termination shall not thereby be released.

ENBRIDGE GAS INC.
UNION SOUTH
STORAGE AND TRANSPORTATION SERVICES TRANSPORTATION CHARGES

(A) Availability

The charges under this rate schedule shall be applicable for transportation service rendered by Union for all quantities transported to and from embedded storage pools located within Union's franchise area and served using Union's distribution and transmission assets.

Applicable Points

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

(B) 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) Charges Applicable to both Firm and/or Interruptible Transportation Services:

Monthly Fixed Charge per customer station (\$ per month) (1)	\$1,523.40
Transmission Commodity Charge to Dawn (\$ per GJ)	\$0.035

Transportation Fuel:	<u>Customers located East of Dawn</u>	<u>Customers located West of Dawn</u>
Fuel Charges to Dawn		
Commodity Rate - Union supplied fuel (\$ per GJ)	\$0.006	\$0.006
Fuel Ratio - Shipper supplied fuel (%)	0.158%	0.158%
Fuel Charges to the Pool		
Commodity Rate - Union supplied fuel (\$ per GJ)	\$0.007	\$0.017
Fuel Ratio - Shipper supplied fuel (%)	0.185%	0.449%

b) Firm Transportation Demand Charges: (2)

Monthly Demand Charge applied to contract demand (\$ per GJ)	\$0.774	\$2.888
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c) Facility Carbon Charge (in addition to Transportation Fuel Charges)	\$0.002	\$0.002
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(B) Rates (Cont'd)

Authorized Overrun:

The authorized overrun rate payable on all quantities transported in excess of Union's obligation any day shall be:

	Customers located East <u>of Dawn</u>	Customers located West <u>of Dawn</u>
Firm Transportation:		
Charges to Dawn		
Commodity Rate - Union supplied fuel (\$ per GJ)	\$0.066	\$0.136
Commodity Rate - Shipper supplied fuel (\$ per GJ)	\$0.060	\$0.130
Fuel Ratio - Shipper supplied fuel (%)	0.158%	0.158%
Charges to the Pool		
Commodity Rate - Union supplied fuel (\$ per GJ)	\$0.033	\$0.112
Commodity Rate - Shipper supplied fuel (\$ per GJ)	\$0.025	\$0.095
Fuel Ratio - Shipper supplied fuel (%)	0.185%	0.449%
Facility Carbon Charge (in addition to Transportation Fuel Charges)	\$0.002	\$0.002

Overrun will be authorized at Union's sole discretion.

Unauthorized Overrun

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

The Unauthorized Overrun rate during the November 1 to April 15 period will be \$50 per GJ for all usage on any day in excess of 102% of Union's contractual obligation. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$9.373 per GJ for all usage on any day in excess of 102% of Union's contractual obligation.

Charges aforesaid in respect of any given month in accordance with General Terms & Conditions shall be payable no later than the twenty-fifth day of the succeeding month.

Notes for Section (B) Rates:

- (1) The monthly fixed charge will be applied once per month per customer station regardless of service being firm, interruptible or a combination thereof.
- (2) Demand charges will be applicable to customers firm daily contracted demand or the firm portion of a combined firm and interruptible service.

(C) 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 2013" for contracts in effect on or after January 1, 2013.

Effective April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

**GENERAL TERMS & CONDITIONS
UNION SOUTH - M16 TRANSPORTATION AGREEMENT**

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

1. "Banking Day" shall mean a day on which the general offices of the Canadian Imperial Bank of Commerce, 99 King St. W., Chatham, Ontario are open for business;
2. "business day" shall mean a day on which the general offices of Union in Chatham, Ontario are open for business;
3. "Contract" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;
4. "contract year" shall mean a period of three hundred and sixty-five (365) consecutive days, beginning on the day agreed upon by Union and Shipper as set forth in the Contract, or on any anniversary of such date; provided, however, that any such period which contains a date of February 29 shall consist of three hundred and sixty-six (366) consecutive days;
5. "day" shall mean a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Standard time. The reference date for any day shall be the calendar date upon which the twenty-four (24) hour period shall commence;
6. "month" shall mean the period beginning at 9:00 a.m. Central Standard time on the first day of a calendar month and ending at 9:00 a.m. Central Standard time on the first day of the following calendar month;
7. "firm" shall mean service not subject to curtailment or interruption except under Articles XI and XII of this Schedule "B";
8. "interruptible service" shall mean service subject to curtailment or interruption, after notice, at any time;
9. "gas" shall mean gas as defined in the Ontario Energy Board Act, R.S.O. 1980, c. 332, as amended, supplemented or reenacted from time to time;
10. "cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;
11. "m³" shall mean cubic metre of gas and "10³m³" shall mean 1,000 cubic metres of gas;
12. "pascal" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" (kPa) shall mean 1,000 pascals;
13. "joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;
14. "gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;
15. "Shipper" shall have the meaning as defined in the Contract, and shall also include Shipper's agent(s);
16. "subsidiary" means a company in which more than fifty (50) per cent of the issued share capital (having full voting

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rights under all circumstances) is owned or controlled directly or indirectly by another company, by one or more subsidiaries of such other company, or by such other company and one or more of its subsidiaries;

17. "TCPL" means TransCanada PipeLines Limited;
18. "NOVA" means Gas Transmission Ltd.;
19. "Panhandle" means CMS Panhandle Eastern Pipeline Company;
20. "MichCon" means Michigan Consolidated Gas Company;
21. "SCPL" means St. Clair Pipelines (1996) Ltd.;
22. "OEB" means the Ontario Energy Board;
23. "NEB" means the National Energy Board (Canada);
24. "GLGT" means Great Lakes Gas Transmission Company;
25. "CMS" means CMS Gas Transmission and Storage Company;
26. "Consumers" means The Consumers' Gas Company, Limited;
27. "cricondenthm hydrocarbon dewpoint" shall mean the highest hydrocarbon dewpoint temperature on the phase envelope;
28. "hydrocarbon dewpoint" shall mean temperature at a specific pressure where hydrocarbon vapour condensation begins;
29. "specific gravity" shall mean density of the gas divided by density of air, with both at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;
30. "Wobbe Number" shall mean gross heating value of the gas divided by the square root of its specific gravity; and,
31. "Union" shall mean Enbridge Gas Inc. operating as Union Gas.

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons, except methane, may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.
2. Freedom from objectionable matter: The gas to be delivered to Union at the Receipt Point(s) hereunder,
 - a. shall be commercially free from bacteria, sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to, or interference with, the proper operation of the lines, regulators, meters or other appliances through which it flows,
 - b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas, nor more than one hundred (100) milligrams of total sulphur per cubic metre of gas,
 - c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,

SCHEDULE "A"

- d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,
 - e. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,
 - f. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,
 - g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,
 - h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of gas,
 - i. shall not have a cricondenthem hydrocarbon dewpoint exceeding minus eight (-8) degrees Celsius,
 - j. shall have Wobbe Number from forty seven point fifty (47.50) megajoules per cubic metre of gas to fifty one point four (51.4) megajoules per cubic metre of gas, maximum of one point five (1.5) mole percent by volume of butane plus (C4+) in the gas, and maximum of four point zero (4.0) mole percent by volume of total inerts in the gas in order to be interchangeable with other Interconnecting Pipeline gas,
 - k. shall not exceed forty-three degrees Celsius (43°C), and,
 - l. shall not be odourized by Shipper.
3. Non-conforming Gas:
- a. In the event that the quality of the gas does not conform or if Union, acting reasonably, suspects the quality of the gas may not conform to the specifications herein, then Shipper shall, if so directed by Union acting reasonably, forthwith carry out, at Shipper's cost, whatever field testing of the gas quality as may be required to ensure that the quality requirements set out herein are met, and to provide Union with a certified copy of such tests. If Shipper does not carry out such tests forthwith, Union may conduct such test and Shipper shall reimburse Union for all costs incurred by Union for such testing.
 - b. If Shipper's gas fails at any time to conform to the requirements of this Article II, Union, in addition to its other remedies, may refuse to accept delivery of gas at the Receipt Points hereunder until such deficiency has been remedied by Shipper. Each Party agrees to notify the other verbally, followed by written notification, of any such deficiency of quality.
 - c. With respect to Article II 2. h. herein, Union may accept the gas subject to Shipper's obligations under the Dehydration Contract, if applicable.
4. Quality of Gas Received: The quality of the gas to be received by Union at the Receipt Point(s) hereunder is to be of a merchantable quality and in accordance with the quality standards as set out by Union in this Article II.
5. Quality of Gas at Dawn: The quality of the gas to be delivered to Union at Dawn (Facilities) or the gas to be delivered by Union to Shipper at Dawn (Facilities) hereunder is to be of a merchantable quality and in accordance with the quality standards and measurement standards as set out by Union in this Article II, except that total sulphur limit shall be not more than four hundred and sixty (460) milligrams per cubic metre of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in this Article II.
6. Odourization of Gas:
- a. Union may odourize or deliver odourized gas under the Contract,
 - b. Shipper shall if requested by Union monitor the mercaptan sulphur content of the gas delivered to Union under the Contract and shall provide at no cost to Union a continuous signal quantifying the mercaptan sulphur content in milligrams per cubic metre.

III. MEASUREMENTS

SCHEDULE "A"

1. Storage, Transportation, and/or Sales Unit: The unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m³) or one thousand cubic metres (10³m³) at Union's discretion.
2. Determination of Volume and Energy:
 - a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), RSC 1985, c E-4- (the "**Act**") and the Electricity and Gas Inspection Regulations, SOR 86/131 (the "**Regulations**"), and any documents issued under the authority of the Act and Regulations and any amendments thereto.
 - b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.
 - c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII herein.
 - d. Upon request by Union, Shipper shall obtain measurement of the total quantity of gas received by Union hereunder from the Interconnecting Pipeline. Such measurement shall be done in accordance with established practices between Union and the Interconnecting Pipeline.

IV. POINT OF RECEIPT AND POINT OF DELIVERY

1. Unless otherwise specified in the Contract, the point or points of receipt for all gas to be covered thereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where Union takes possession of the gas. Whenever the phrase "receipt point" appears herein, it shall mean Point of Receipt as defined in this Article IV.
2. Unless otherwise specified in the Contract, the point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection as specified in the Contract, where Shipper takes possession of the gas. Whenever the phrase "delivery point" shall appear hereon, it shall mean Point of Delivery as defined in this Article IV.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

N/A

VI. FACILITIES ON SHIPPER'S PROPERTY

N/A

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III herein.
2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of

SCHEDULE "A"

measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by its regulatory body.

3. Check Measuring Equipment: Shipper may install, maintain and operate, at the Custody Transfer Point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the Custody Transfer Point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.
4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten (10) days after receipt thereof.
5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party notifies the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing receipts and deliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two per cent (2%), the financial adjustment, if any, shall be calculated in accordance with the Act and Regulations, as may be amended from time to time and in accordance with any successor statutes and regulations.
6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.
7. Error in Metering or Meter Failure: In the event of an error in metering or a meter failure (such error or failure being determined through check measurement by Union or any other available method), then Shipper shall enforce its rights as Shipper with the Interconnecting Pipeline(s) to remedy such error or failure including enforcing any inspection and/or verification rights and procedures.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the 10th day of each month for all services furnished during the preceding month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding month's billing, an adjustment based on any difference between actual quantities and estimated quantities. If presentation of a bill to Shipper is delayed after the 10th day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.
2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.

IX. PAYMENTS

SCHEDULE "A"

1. **Monthly Payments:** Shipper shall pay the invoiced amount directly into Union's bank account as directed on the invoice on or before the twentieth (20th) day of each month. If the payment date is not a business day, then payment must be received in Union's account on the first business day preceding the twentieth (20th) day of the month.

2. **Remedies for Non-payment:** Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due, Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract may suspend service(s) until such amount is paid, provided however, that if Shipper, in good faith shall dispute the amount of any such bill or part thereof and shall pay to Union such amounts as it concedes to be correct and at any time thereafter within twenty (20) days of a demand made by Union shall furnish good and sufficient surety bond satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination which may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case, then Union shall not be entitled to suspend service(s) because of such non-payment unless and until default be made in the conditions of such bond or in payment for any further service(s) to Shipper hereunder.

Notwithstanding the foregoing paragraph, this does not relieve Shipper from the obligation to continue its deliveries of gas under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. **Billing Adjustments:** If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "bill" next following shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within six (6) years from the date of the incorrect billing. In the event any refund is issued with Shipper's bill, the aforesaid date of refund shall be deemed to be the date of the issue of invoice.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act of the Province of Ontario, or any act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

N/A

XII. DEFAULT AND TERMINATION

N/A

XIII. MODIFICATION

N/A

XIV. NONWAIVER AND FUTURE DEFAULT

N/A

XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

UNION SOUTH - RATE M16
GENERAL TERMS & CONDITIONS

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

"Aid to Construction" shall include any and all costs, expenses, amounts, damages, obligations, or other liabilities (whether of a capital or operating nature, and whether incurred before or after the date of the Contract) actually paid by Union (including amounts paid to affiliates for services rendered in accordance with the Affiliate Relationships Code as established by the OEB) in connection with or in respect of satisfying the conditions precedent set out in Article XXI herein (including without limitation the construction and placing into service of the Union Expansion Facilities, the obtaining of all governmental, regulatory and other third party approvals, and the obtaining of rights of way) whether resulting from Union's negligence or not, except for any costs that have arisen from the gross negligence, fraud, or wilful misconduct of Union;

"Authorized Overrun" shall mean the amount by which Shipper's Authorized Quantity exceeds the firm and interruptible contract demands;

"Authorized Quantity" shall have the meaning given thereto in Schedule "B 2010" of the C1 Rate Schedule;

"Business Day" shall mean any day, other than Saturday, Sunday or any days on which national banks in the Province of Ontario are authorized to close;

"Contract" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

"Contract Year" shall mean a period of three hundred and sixty-five (365) consecutive days, beginning on the Commencement Date or on any anniversary of such date; provided, however, that any such period which contains a date of February 29 shall consist of three hundred and sixty-six (366) consecutive days;

"cricondentherm hydrocarbon dewpoint" shall mean the highest hydrocarbon dewpoint temperature on the phase envelope;

"cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"Custody Transfer Point" That point on the piping system at the Pool Station which is at the Shipper side of the insulating flange on the Union Expansion Facilities, and which point shall serve as the point of custody transfer;

"Day" shall mean a period of twenty-four (24) consecutive hours beginning at 10:00 a.m. Eastern Clock Time. The reference date for any Day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

"Dehydration Contract" shall mean the contract for Dehydration Service between Union and the Shipper as detailed in Schedule 1 of the Contract;

"Delivery Point" shall mean the point(s) where Union shall deliver gas to Shipper as defined in Schedule 1 of the Contract;

"Eastern Clock Time" shall mean the local clock time in the Eastern Time Zone on any Day;

"firm" shall mean service not subject to curtailment or interruption except under Articles XI, XII and XVIII herein;

"**gas**" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Sch. B, as amended, supplemented or re-enacted from time to time;

"**gross heating value**" shall mean the total heat expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

"**hydrocarbon dewpoint**" shall mean temperature at a specific pressure where hydrocarbon vapour condensation begins;

"**Interconnecting Pipeline**" shall mean a pipeline that directly connects to the Union pipeline system;

"**Interruptible Service HUB Contract**" shall mean a contract between Shipper and Union under which Union provides interruptible HUB service;

"**interruptible**" shall mean service subject to curtailment or interruption, after notice, at any time;

"**joule**" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "**megajoule**" (MJ) shall mean 1,000,000 joules. The term "**gigajoule**" (GJ) shall mean 1,000,000,000 joules;

"**m³**" shall mean cubic metre of gas and "**10³m³**" shall mean 1,000 cubic metres of gas;

"**Month**" shall mean the period beginning at 10:00 a.m. Eastern Clock Time on the first day of a calendar month and ending at 10:00 a.m. Eastern Clock Time on the first day of the following calendar month;

"**OEB**" means the Ontario Energy Board;

"**pascal**" ("**Pa**") shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "**kilopascal**" ("**kPa**") shall mean 1,000 pascals;

"**Pool Quantity**" shall mean the actual daily quantity of gas delivered to or received from Shipper at the Custody Transfer Point;

"**Pool Station**" shall mean the physical location of Union's measurement and control facilities to the pool; the pool name as detailed in Schedule 1 of the Contract;

"**Receipt Point**" shall mean any one of the points where Union shall receive gas from Shipper as detailed in Schedule 1 of the Contract;

"**Shipper**" shall have the meaning as defined in the Contract, and shall also include Shipper's agent(s);

"**Shipper Quantity**" shall, on any Day, be equal to the greater of: (i) the Authorized Quantity for that Day; and (ii) the nomination duly made by Shipper in good faith prior to the nomination deadline for the first nomination window applicable for that Day; provided that in no event shall the Shipper Quantity exceed the firm contract demand;

"**specific gravity**" shall mean density of the gas divided by density of air, with both at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"**Taxes**" shall mean any tax (other than tax on income or tax on property), duty, royalty, levy, license, fee or charge not included in the charges and rates as per the applicable rate schedule (including but not limited to charges under any form of cap and trade, carbon tax, or similar system) and that is levied, assessed or made by any governmental authority on the gas itself, or the act, right, or privilege of producing, severing, gathering, storing, transporting, handling, selling or delivering gas under the Contract;

"TCPL" means TransCanada PipeLines Limited;

"Union" shall mean Enbridge Gas Inc. operating as Union Gas;

"Union Expansion Facilities" shall mean any facilities necessary for Union to provide the Services, including without limiting the generality of the foregoing:

- a. a meter and any associated recording gauges as are necessary;
- b. pressure and/or flow control devices, over pressure protection and telemetry equipment as are necessary;
- c. a suitable gas odourizing injection facility if Union deems such a facility to be necessary
- d. piping, fittings, material, filtration facilities, cathodic protection and insulating flanges;
- e. gas chromatograph, moisture analyzer, piping, fittings, material, filtration facilities, cathodic protection and insulating flanges;

"Wobbe Number" shall mean gross heating value of the gas divided by the square root of its specific gravity.

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons, except methane, may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.
2. Freedom from objectionable matter: The gas to be delivered to Union at the Receipt Point(s) hereunder,
 - a. shall be commercially free from bacteria, sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to, or interference with, the proper operation of the lines, regulators, meters or other appliances through which it flows,
 - b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas, nor more than one hundred (100) milligrams of total sulphur per cubic metre of gas,
 - c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,
 - d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,
 - e. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,
 - f. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,
 - g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,
 - h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of gas,
 - i. shall not have a cricondenthem hydrocarbon dewpoint exceeding minus eight (-8) degrees Celsius,
 - j. shall have Wobbe Number from forty seven point fifty (47.50) megajoules per cubic metre of gas to fifty one

point forty six (51.46) megajoules per cubic metre of gas, maximum of one point five (1.5) mole percent by volume of butane plus (C4+) in the gas, and maximum of four point zero (4.0) mole percent by volume of total inerts in the gas in order to be interchangeable with other Interconnecting Pipeline gas,

- k. shall not exceed forty-three degrees Celsius (43°C), and,
- l. shall not be odourized by Shipper.

3. Non-conforming Gas:

- a. In the event that the quality of the gas does not conform or if Union, acting reasonably, suspects the quality of the gas may not conform to the specifications herein, then Shipper shall, if so directed by Union acting reasonably, forthwith carry out, at Shipper's cost, whatever field testing of the gas quality as may be required to ensure that the quality requirements set out herein are met, and to provide Union with a certified copy of such tests. If Shipper does not carry out such tests forthwith, Union may conduct such test and Shipper shall reimburse Union for all costs incurred by Union for such testing.
- b. If Shipper's gas fails at any time to conform to the requirements of this Article II, Union, in addition to its other remedies, may refuse to accept delivery of gas at the Receipt Points hereunder until such deficiency has been remedied by Shipper. Each Party agrees to notify the other verbally, followed by written notification, of any such deficiency of quality.
- c. With respect to Article II 2. h. herein, Union may accept the gas subject to Shipper's obligations under the Dehydration Contract, if applicable.

4. Quality of Gas Received: The quality of the gas to be received by Union at the Receipt Point(s) hereunder is to be of a merchantable quality and in accordance with the quality standards as set out by Union in this Article II.

5. Quality of Gas at Dawn: The quality of the gas to be delivered to Union at Dawn (Facilities) or the gas to be delivered by Union to Shipper at Dawn (Facilities) hereunder is to be of a merchantable quality and in accordance with the quality standards and measurement standards as set out by Union in this Article II, except that total sulphur limit shall be not more than four hundred and sixty (460) milligrams per cubic metre of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in this Article II.

6. Odourization of Gas:

- a. Union may odourize or deliver odourized gas under the Contract,
- b. Shipper shall if requested by Union monitor the mercaptan sulphur content of the gas delivered to Union under the Contract and shall provide at no cost to Union a continuous signal quantifying the mercaptan sulphur content in milligrams per cubic metre.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: The unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m³) or one thousand cubic metres (10³m³) at Union's discretion.

2. Determination of Volume and Energy:

- a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), RSC 1985, c E-4- (the "Act") and the Electricity and Gas Inspection Regulations, SOR 86/131 (the "Regulations"), and any documents issued under the authority of the Act and Regulations and any amendments thereto.

- b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.
- c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII herein.
- d. Upon request by Union, Shipper shall obtain measurement of the total quantity of gas received by Union hereunder from the Interconnecting Pipeline. Such measurement shall be done in accordance with established practices between Union and the Interconnecting Pipeline.

IV. RECEIPT POINT AND DELIVERY POINT

The point or points of receipt and point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in Schedule 1 of the Contract, where possession of the gas changes from one party to the other.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

- 1. Possession of Gas: Union accepts no responsibility for any gas prior to such gas being delivered to Union at the Receipt Point or after its delivery by Union at the Delivery Point. As between the parties hereto, Union shall be deemed to be in control and possession of and responsible for all such gas from the time that such gas enters Union's system until such gas is delivered to Shipper.
- 2. Liability: Shipper agrees that Union is not a common carrier and is not an insurer of Shipper's gas, and that Union shall not be liable to Shipper or any third party for loss of gas in Union's possession, except to the extent such loss is caused entirely by Union's negligence or wilful misconduct.

VI. FACILITIES ON SHIPPER'S PROPERTY

- 1. Union Equipment: All of the Union Expansion Facilities shall remain the property of Union. Union shall be entitled to remove said equipment at any time within a period of sixty (60) days from any termination or expiry of the Contract. Shipper shall take all necessary steps to ensure Union may enter the Pool Station to remove such equipment for a period of sixty (60) days after termination or expiry of the Contract.
- 2. Shipper Obligations: Shipper shall, at Shipper's own cost and expense:
 - a. obtain the Pool Station Land Rights; and
 - b. furnish, install, set, and maintain suitable pressure and quantity control equipment and such additional equipment as required on Shipper's delivery system, to protect against the over pressuring of Union's facilities as set out in Article VI of the Contract and Schedule 1 of the Contract, protect Union from receiving gas not meeting the quality specification as set out in Article II herein, and to limit the daily flow of gas to the corresponding parameters as set out in the Article II of the Contract.
- 3. Maintenance Costs: Shipper shall within thirty (30) days of the delivery of an invoice by Union, reimburse Union for any actual costs reasonably incurred by Union for any repair, replacement, relocation, or upgrading of any meter station or any Union Expansion Facilities requested by Shipper, or as required by law or by duly constituted regulatory body, or through good engineering practice. Union shall be responsible for any costs incurred by Union to correct an error made by Union.

4. Operation and Maintenance: Subject to this Article VI Section 3, each party shall be fully responsible for the continued operation, maintenance, repair and replacement of its respective facilities. Both parties agree to maintain cathodic protection on their respective facilities.
5. Inspection: Each party shall inspect its facilities as required by industry standards or by the appropriate regulatory body.
6. Repair or Replacement: Each party shall decide, in its sole discretion, whether its facilities need to be repaired or replaced. In the event that repair or replacement is needed, the party undertaking such work will, to the extent possible, give the other party sixty (60) days' notice and will ensure that the work be done in a manner so as to minimize the amount of time the pipeline has restricted flows.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III herein.
2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by its regulatory body.
3. Check Measuring Equipment: Shipper may install, maintain and operate, at the Custody Transfer Point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the Custody Transfer Point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.
4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten (10) days after receipt thereof.
5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party notifies the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing receipts and deliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Act and Regulations, as may be amended from time to time and in accordance with any successor statutes and regulations.
6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.

7. Error in Metering or Meter Failure: In the event of an error in metering or a meter failure, (such error or failure being determined through check measurement by Union or any other available method), then Shipper shall enforce its rights as Shipper with the Interconnecting Pipeline(s) to remedy such error or failure including enforcing any inspection and/or verification rights and procedures.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the tenth (10th) day of each month for all Services furnished during the preceding Month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding Month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the tenth (10th) day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.
2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.
3. Amendment of Statements: For the purpose of completing a final determination of the actual quantities of gas handled under the Contract, Union shall have the right to amend its statements for a period equal to the time during which the Interconnecting Pipeline retains the right to amend their statements, which period shall not exceed three (3) years from the date of termination of the Contract.

IX. PAYMENTS

1. Monthly Payments: Shipper shall pay the invoiced amount directly into Union's bank account as directed on the invoice on or before the twentieth (20th) day of each month. If the payment date is not a Business Day, then payment must be received in Union's account on the first Business Day preceding the twentieth (20th) day of the month.
2. Remedies for Non-payment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,
 - a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment; and,
 - b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend Services until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend Services because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

Notwithstanding the foregoing, Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such

overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "**bill next following**" shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within three (3) years from the date of the incorrect billing. In the event any refund is issued with Shipper's bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.

4. Taxes: In addition to the charges and rates as per the applicable rate schedules and price schedules, Shipper shall pay all Taxes which are imposed currently or subsequent to the execution of the Contract by any legal authority having jurisdiction and any amount in lieu of such Taxes paid or payable by Union.
5. Set Off: If Shipper shall, at any time, be in arrears under any of its payment obligations to Union under the Contract, then Union shall be entitled to reduce the amount payable by Union to Shipper under the Contract or any other contract by an amount equal to the amount of such arrears or other indebtedness to Union. In addition to the foregoing remedy, Union may, upon forty-eight (48) hours verbal notice, to be followed by written notice, take possession of any or all of Shipper's gas under the Contract, which shall be deemed to have been assigned to Union, to reduce such arrears or other indebtedness to Union.
6. Aid to Construction: Shipper agrees to reimburse Union for the Aid to Construction.

In the event Union has incurred costs, as set out herein, relative to the construction, installation or connection of the gas metering station prior to being notified by Shipper of Shipper's intention to terminate the Contract, Shipper shall promptly remit to Union such actual costs on presentation to Shipper of an invoice for same from Union.

All applicable Taxes will be applied to all amounts to be paid under this Section. Shipper warrants and represents that no payment to be made by Shipper under the Contract is subject to any withholding tax.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act, 1991, or any act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. Definition: The term "**force majeure**" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and

any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.

2. Notice: In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.
3. Exclusions: Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not, as soon as possible after determining, or within a period within which it should acting reasonably have determined, that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract, give to the other party the notice required hereunder.
4. Notice of Remedy: The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.
5. Obligation to Perform: An event of force majeure on Union's system will excuse the failure to deliver gas by Union or the failure to accept gas by Union hereunder, and both parties shall be excused from performance of their obligations hereunder, except for payment obligations, to the extent of and for the duration of the force majeure.
6. Upstream or Downstream Force Majeure: An event of force majeure upstream or downstream of Union's system shall not relieve Shipper of any payment obligations.
7. Delay of Firm Transportation Services: Despite Article XI herein, if Union is prevented, by reason of an event of force majeure on Union's system from delivering gas on the Day or Days upon which Union has accepted gas from Shipper, Union shall thereafter make all reasonable efforts to deliver such quantities as soon as practicable and on such Day or Days as are agreed to by Shipper and Union. If Union accepts such gas on this basis, Shipper shall not receive any demand charge relief as contemplated under Article XI herein.
8. Demand Charge Relief for Firm Transportation Services: Despite Article XI herein, if on any Day Union fails to accept gas from Shipper by reason of an event of force majeure on Union's system and fails to deliver the quantity of gas nominated hereunder by Shipper up to the firm contract demand for the Contract, then for that Day the Monthly demand charge shall be reduced by an amount equal to the applicable Daily Demand Rate, as defined in this paragraph, multiplied by the difference between the quantity of gas actually delivered by Union during such Day and the quantity of gas which Shipper in good faith nominated on such Day. The term "**Daily Demand Rate**" shall mean the Monthly demand charge or equivalent pursuant to the C1 Rate Schedule divided by the number of days in the month for which such rate is being calculated.
9. Unforeseen Reduction: In addition to the definition of force majeure in Article XI, Section 1 herein, for the purposes of the Contract, it shall also include the unforeseen reduction in natural gas usage and/or capacity of the local transmission system as described in Schedule 1 of the Contract, regardless of the duration of such unforeseen reduction, or any other cause, whether of the kind herein enumerated or otherwise, not within the reasonable control of the party claiming relief hereunder and which, by the exercise of due diligence, such party is unable to prevent or overcome.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make

delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI herein) which has not been waived by the other party, then and in every such case and as often as the same may happen, the non-defaulting party may give written notice to the defaulting party requiring it to remedy such default and in the event of the defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

XIII. AMENDMENT

Subject to Article XV herein and the ability of Union to amend the applicable rate schedules and price schedules, with the approval of the OEB (if required), no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

No waiver of any provision of the Contract shall be effective unless the same shall be in writing and signed by the party entitled to the benefit of such provision and then such waiver shall be effective only in the specific instance and for the specified purpose for which it was given. No failure on the part of Shipper or Union to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy under the Contract shall operate as a waiver thereof.

XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

XVI. RESERVED FOR FUTURE USE

N/A

XVII. RENEWALS

The Contract will continue in full force and effect beyond the Initial Term, automatically renewing for a period of one (1) year, and every one (1) year thereafter. Shipper or Union may reduce the contract demands or terminate the Contract, with notice in writing to the other party, at least two (2) years prior to the expiration thereof.

XVIII. SERVICE CURTAILMENT

1. Capacity Sharing: Where requests for interruptible service hereunder exceed the capacity available for such Service, Union will authorize nominations from shippers and allocate capacity as per Union's procedures and policies and shippers shall be so advised. Any interruptible service provided herein are subordinate to any and all firm service supplied by Union, and subordinate to Union's own operational or system requirements.
2. Capacity Procedures: Union reserves the right to change its procedures and policies for sharing interruptible capacity and will provide Shipper with two (2) months' notice of any such change.

3. Maintenance: Union's facilities from time to time may require maintenance or construction. In the event that such event occurs and in Union's sole opinion, acting reasonably, may impact its ability to meet Shipper's requirements, Union shall provide at least ten (10) days' notice to the Shipper, except in the case of emergencies. In the event the maintenance impacts Union's ability to meet Shipper's requirements, Union shall not be liable for any damages and shall not be deemed to be in breach of the Contract. To the extent that Union's ability to receive or deliver gas is impaired, Demand Charge Relief shall be calculated and credited to Shipper's invoice in accordance with Article XI, Section 8 herein. Union shall use reasonable efforts to determine a mutually acceptable period during which such maintenance or construction will occur and also to limit the extent and duration of any impairments. Union will endeavour to schedule and complete the maintenance and construction, that can be scheduled and completed, and which would normally be expected to impact on Union's ability to meet its obligations of any Contract Year, during the period from April 1 through to October 31.
4. Shipper's Facilities: Shipper shall complete and maintain a plan which depicts all of Shipper's production storage facilities including all emergency shut off valves and emergency equipment and provide a copy to Union upon Union's request. Shipper shall provide to Union the names and telephone numbers of those persons whom Union may contact in the event of an emergency situation arising within the Shipper's facilities.

XIX. SHIPPER'S REPRESENTATIONS AND WARRANTIES

1. Shipper's Warranty: Shipper warrants that it will, if required, maintain, or have maintained on its behalf, all external approvals including the governmental, regulatory, import/export permits and other approvals or authorizations that are required from any federal, state or provincial authorities for the gas quantities to be handled under the Contract. Shipper further warrants that it shall maintain in effect the Facilitating Agreements.
2. Financial Representations: Shipper represents and warrants that the financial assurances (including the Initial Financial Assurances and Security), if any, shall remain in place throughout the term hereof unless Shipper and Union agree otherwise. Shipper shall notify Union in the event of any change to the financial assurances (including the Initial Financial Assurances and Security), if any, throughout the term hereof. Should Union have reasonable grounds to believe that Shipper will not be able to perform or continue to perform any of its obligations under the Contract for any reason (a "Material Event"), then Shipper shall within fourteen (14) days of receipt of written notice by Union, obtain and provide to Union a letter of credit or other security in the form and amount reasonably required by Union (the "Security"). In the event that Shipper does not provide to Union such Security, Union may deem a default in accordance with the provisions of Article XII herein.

In the event that Shipper in good faith, reasonably believes that it should be entitled to reduce the amount of or value of the Security previously provided, it may request such a reduction from Union and to the extent that the Material Event has been mitigated or eliminated, Union shall return all or a portion of the Security to Shipper within fourteen (14) Business Days after receipt of the request.

3. License: Shipper represents and warrants to Union that Shipper possesses all licenses and permits needed to inject gas into, store gas in, and remove gas from the pool.

XX. MISCELLANEOUS PROVISIONS

1. Assignment: Shipper may not assign the Contract without the written consent of Union and, if required, the approval of the OEB. Should Union consent to the assignment, and if OEB approval is needed, Union will apply for OEB approval with all costs of the application to be paid by Shipper.
2. Title to Gas: Shipper represents and warrants to Union that Shipper shall have good and marketable title to, or legal authority to deliver to Union, all gas delivered to Union hereunder. Furthermore, Shipper hereby agrees to indemnify and save Union harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of claims of any or all third parties to such gas or on account of Taxes, or other charges thereon.

XXI. PRECONDITIONS TO TRANSPORTATION SERVICES

1. Union Conditions: The obligations of Union to provide Services hereunder are subject to the following conditions precedent, which are for the sole benefit of Union and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Union shall have obtained, in form and substance satisfactory to Union, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required to provide the Services; and,
 - b. Union shall have obtained all internal approvals that are necessary or appropriate to provide the Services; and,
 - c. Union shall have received from Shipper the requisite financial assurances reasonably necessary to ensure Shipper's ability to honour the provisions of the Contract (the "**Initial Financial Assurances**"). The Initial Financial Assurances, if required, will be as determined solely by Union; and,
 - d. Shipper and Union shall have entered into the Interruptible Service HUB Contract or equivalent (the "**Facilitating Agreement**") with Union; and,
 - e. Shipper shall have paid any amounts owing pursuant to Schedule 1 Aid to Construction; and,
 - f. With regard to the Union Expansion Facilities:
 - i. Union shall have obtained, in form and substance satisfactory to Union, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations required to construct the Union Expansion Facilities;
 - ii. Union shall have obtained all internal approvals that are necessary or appropriate to construct the Union Expansion Facilities;
 - iii. Union shall have completed and placed into service the Union Expansion Facilities; and,
 - g. Shipper shall, at Shipper's own cost and expense, have obtained a registered lease or freehold ownership in Union's favour for the Union Expansion Facilities located at the Pool Station satisfactory to Union and sufficient to provide Union with free uninterrupted access to, from, under and above the Pool Station for a term (and extended terms) identical to the Contract, plus sixty (60) days (such land rights being referred to as the "**Pool Station Land Rights**"), and shall provide Union with a bona fide copy of such agreements prior to Union commencing the construction of the Union Expansion Facilities.
2. Shipper Conditions: The obligations of Shipper hereunder are subject to the following conditions precedent, which are for the sole benefit of Shipper and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Shipper shall, as required, have entered into the necessary contracts with Union and/or others to facilitate the Services contemplated herein, including contracts for upstream and downstream transportation, and shall specifically have an executed and valid Facilitating Agreement; and shall, as required, have entered into the necessary contracts to purchase the gas quantities handled under the Contract; and,
 - b. Shipper shall have obtained, in form and substance satisfactory to Shipper, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required from federal, state, or provincial authorities for the gas quantities handled under the Contract; and,

- c. Shipper shall have obtained all internal approvals that are necessary or appropriate for the Shipper to execute the Contract.
3. Satisfaction of Conditions: Union and Shipper shall each use due diligence and reasonable efforts to satisfy and fulfill the conditions precedent specified in this Article XXI Section 1 a, c, d, e, f i., f iii., and g and Section 2 a and b. Each party shall notify the other forthwith in writing of the satisfaction or waiver of each condition precedent for such party's benefit. If a party concludes that it will not be able to satisfy a condition precedent that is for its benefit, such party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations thereunder.
4. Non-Satisfaction of Conditions: If any of the conditions precedent in this Article XXI Section 1 c or Section 2 are not satisfied or waived by the party entitled to the benefit of that condition by the Conditions Date as such term is defined in the Contract, then either party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations hereunder, provided that any rights or remedies that a party may have for breaches of the Contract prior to such termination and any liability a party may have incurred before such termination shall not thereby be released.

ENBRIDGE GAS INC.
UNION SOUTH
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 (1):

	Monthly Demand Charges (applied to daily contract demand) <u>Rate/GJ</u>	<u>Fuel and Commodity Charges</u>					
		<u>Union Supplied Fuel</u>			<u>Shipper Supplied Fuel</u>		
		<u>Fuel and Commodity Charge</u>			<u>Fuel Ratio</u>		Commodity <u>Charge</u> <u>Rate/GJ</u>
		Apr.1-Oct.31 <u>Rate/GJ</u>	Nov.1-Mar.31 <u>Rate/GJ</u>	Apr.1-Oct.31 <u>%</u>	Nov.1-Mar.31 <u>%</u>	<u>AND</u>	
a) Firm Transportation							
Between:							
St.Clair & Dawn	\$2.888	\$0.008	\$0.010	0.208%	0.267%		
Ojibway & Dawn	\$2.888	\$0.017	\$0.012	0.449%	0.305%		
Bluewater & Dawn	\$2.888	\$0.008	\$0.010	0.208%	0.267%		
From:							
Parkway to Kirkwall	\$0.874	\$0.012	\$0.006	0.301%	0.158%		
Parkway to Dawn	\$0.874	\$0.012	\$0.006	0.301%	0.158%		
Kirkwall to Dawn	\$1.542	\$0.006	\$0.006	0.158%	0.158%		
Dawn to Kirkwall	\$3.154	\$0.012	\$0.030	0.319%	0.764%		
Dawn to Parkway	\$3.716	\$0.023	\$0.040	0.585%	1.042%		
Kirkwall to Parkway	\$0.561	\$0.016	\$0.017	0.423%	0.436%		
b) Firm Transportation between two points within Dawn							
Dawn to Dawn-Vector	\$0.030	n/a	n/a	0.341%	0.158%		
Dawn to Dawn-TCPL	\$0.139	n/a	n/a	0.158%	0.353%		
c) Interruptible Transportation between two points within Dawn*							
*includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE)				0.158%	0.158%		
d) Carbon Charge (applied to all quantities transported)							
Facility Carbon Charge		\$0.002	\$0.002			\$0.002	
e) Interruptible and Short Term (1 year or less) Firm Transportation:		\$75.00					

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

	Union Supplied Fuel		Shipper Supplied Fuel		
	Fuel and Commodity Charge		Fuel Ratio		Commodity Charge
	Apr.1-Oct.31	Nov.1-Mar.31	Apr.1-Oct.31	Nov.1-Mar.31	
	<u>Rate/GJ</u>	<u>Rate/GJ</u>	<u>%</u>	<u>%</u>	<u>AND</u> <u>Rate/GJ</u>
a) Firm Transportation					
Between:					
St.Clair & Dawn	\$0.103	\$0.105	0.208%	0.267%	\$0.095
Ojibway & Dawn	\$0.112	\$0.107	0.449%	0.305%	\$0.095
Bluewater & Dawn	\$0.103	\$0.105	0.208%	0.267%	\$0.095
From:					
Parkway to Kirkwall	\$0.158	\$0.152	0.921%	0.778%	\$0.122
Parkway to Dawn	\$0.158	\$0.152	0.921%	0.778%	\$0.122
Kirkwall to Dawn	\$0.081	\$0.081	0.778%	0.778%	\$0.051
Dawn to Kirkwall	\$0.140	\$0.157	0.939%	1.384%	\$0.104
Dawn to Parkway	\$0.169	\$0.187	1.205%	1.662%	\$0.122
Kirkwall to Parkway	\$0.059	\$0.059	1.043%	1.056%	\$0.018
b) Firm Transportation between two points within Dawn					
Dawn to Dawn-Vector	n/a	n/a	0.341%	0.158%	\$0.001
Dawn to Dawn-TCPL	n/a	n/a	0.158%	0.353%	\$0.005
c) Carbon Charge (applied to all quantities transported)					
Facility Carbon Charge	\$0.002	\$0.002			\$0.002

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 \$0.070/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 April 1, 2019
Implemented April 1, 2019
O.E.B. Order # EB-2018-0187 / EB-2018-0205

Supersedes EB-2018-0315 Rate Schedule effective January 1, 2019.

**UNION SOUTH - RATE C1
GENERAL TERMS & CONDITIONS**

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

1. "Contract" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;
2. "cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;
3. "day" shall mean a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Standard time. The reference date for any day shall be the calendar date upon which the twenty-four (24) hour period shall commence;
4. "delivery" shall mean any gas that is delivered by Union into Shipper's possession, or to the possession of Shipper's agent;
5. "firm" shall mean service not subject to curtailment or interruption except under Articles XI and XII of this Schedule "A";
6. "gas" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Sch. B, as amended, supplemented or re-enacted from time to time;
7. "gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;
8. "interruptible service" shall mean service subject to curtailment or interruption, after notice, at any time;
9. "Interconnecting Pipeline" shall mean a pipeline that directly connects to the Union pipeline system;
10. "joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;
11. "limited interruptible service" shall mean gas service subject to interruption or curtailment on a limited number of days as specified in the Contract;
12. "m³" shall mean cubic metre of gas and "10³m³" shall mean 1,000 cubic metres of gas;
13. "month" shall mean the period beginning at 9:00 a.m. Central Standard time on the first day of a calendar month and ending at 9:00 a.m. Central Standard time on the first day of the following calendar month;
14. "OEB" means the Ontario Energy Board;
15. "pascal" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" (kPa) shall mean 1,000 pascals;
16. "receipt" shall mean any gas that is delivered into Union's possession, or the possession of Union's agent;
17. "Shipper" shall have the meaning as defined in the Contract and shall also include Shipper's agent(s);

18. "TCPL" means TransCanada PipeLines Limited;
19. "cricondenthem hydrocarbon dewpoint" shall mean the highest hydrocarbon dewpoint temperature on the phase envelope;
20. "hydrocarbon dewpoint" shall mean temperature at a specific pressure where hydrocarbon vapour condensation begins;
21. "specific gravity" shall mean density of the gas divided by density of air, with both at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;
22. "Wobbe Number" shall mean gross heating value of the gas divided by the square root of its specific gravity;
23. "Union" shall mean Enbridge Gas Inc. operating as Union Gas.

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons, except methane, may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.
2. Freedom from objectionable matter: The gas to be delivered to/by Union hereunder,
 - a. shall be commercially free from bacteria, sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to, or interference with, the proper operation of the lines, regulators, meters or other appliances through which it flows,
 - b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas, nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas,
 - c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,
 - d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,
 - e. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,
 - f. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,
 - g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,
 - h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of gas,
 - i. shall not have a cricondenthem hydrocarbon dewpoint exceeding minus eight (-8) degrees Celsius,
 - j. shall have Wobbe Number from forty seven point fifty (47.50) megajoules per cubic metre of gas to fifty one point forty six (51.46) megajoules per cubic metre of gas, maximum of one point five (1.5) mole percent by volume of butane plus (C4+) in the gas, and maximum of four point zero (4.0) mole percent by volume of total inerts in the gas in order to be interchangeable with other Interconnecting Pipeline gas.

SCHEDULE "A"

3. Non-conforming Gas: In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in this Article II.
4. Quality of Gas Received: The quality of the gas to be received by Union hereunder is to be of a merchantable quality and in accordance with the quality standards as set out by Union in this Article II, but, Union will also accept gas of a quality as set out in any other Interconnecting Pipeline's general terms and conditions, provided that all Interconnecting Pipelines accept such quality of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in Union's C1 Rate Schedule.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: The unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m³) or one thousand cubic metres (10³m³) at Union's discretion.
2. Determination of Volume and Energy:
 - a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), RSC 1985, c E-4- (the "**Act**") and the Electricity and Gas Inspection Regulations, SOR 86/131 (the "**Regulations**"), and any documents issued under the authority of the Act and Regulations and any amendments thereto.
 - b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.
 - c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII herein.
 - d. Upon request by Union, Shipper shall obtain measurement of the total quantity of gas received by Union hereunder from the Interconnecting Pipeline. Such measurement shall be done in accordance with established practices between Union and the Interconnecting Pipeline.

IV. RECEIPT POINT AND DELIVERY POINT

1. Unless otherwise specified in the Contract, the point or points of receipt for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where Union takes possession of the gas.
2. Unless otherwise specified in the Contract, the point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection as specified in the Contract where Shipper takes possession of the gas.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

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VI. FACILITIES ON SHIPPER'S PROPERTY

SCHEDULE "A"

Except under those conditions where Union is delivering to TCPL for TCPL or Shipper at Union's Parkway Point of Delivery, or to an Interconnecting Pipeline, or where otherwise specified in the Contract, the following will apply:

1. Construction and Maintenance: Union, at its own expense may construct, maintain and operate on Shipper's property at the delivery point a measuring station properly equipped with a meter or meters and any other necessary measuring equipment for properly measuring the gas redelivered under the Contract. Shipper will grant to Union a lease and/or rights-of-way over property of Shipper as required by Union to install such facilities and to connect same to Union's pipeline.
2. Entry: Union, its servants, agents and each of them may at any reasonable time on notice (except in cases of emergency) to Shipper or his duly authorized representative enter Shipper's property for the purpose of constructing, maintaining, removing, operating and/or repairing station equipment.
3. Property: The said station and equipment will be and remain the property of Union notwithstanding it is constructed on and attached to the realty of Shipper, and Union may at its own expense remove it upon termination of the Contract and will do so if so requested by Shipper.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III herein.
2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by their regulatory body.
3. Check Measuring Equipment: Shipper may install, maintain and operate, at the redelivery point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the delivery point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.
4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten (10) days after receipt thereof.
5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party notifies the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing receipts and deliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two per cent (2%), the financial adjustment, if any, shall be calculated in accordance with the Act and Regulations, as may be amended from time to time and in accordance with any successor statutes and regulations.

SCHEDULE "A"

6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.
7. Error in Metering or Meter Failure: In the event of an error in metering or a meter failure, (such error or failure being determined through check measurement by Union or any other available method), then Shipper shall enforce its rights as Shipper with the Interconnecting Pipeline(s) to remedy such error or failure including enforcing any inspection and/or verification rights and procedures.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the 10th day of each month for all services furnished during the preceding month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the 10th day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.
2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.

IX. PAYMENTS

1. Monthly Payments: Shipper shall pay the invoiced amount directly into Union's bank account as directed on the invoice on or before the twentieth (20th) day of each month. If the payment date is not a business day, then payment must be received in Union's account on the first business day preceding the twentieth (20th) day of the month.
2. Remedies for Non-payment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,
 - a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment.
 - b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend service(s) until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend service(s) because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

Notwithstanding the foregoing paragraph(s), Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such

overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "bill" next following shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within six (6) years from the date of the incorrect billing. In the event any refund is issued with Shipper's gas bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act of the Province of Ontario, or any act passed in amendment thereof or substitution thereof, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. The term "**force majeure**" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.
2. In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.
3. Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not, as soon as possible after determining, or within a period within which it should acting reasonably have determined, that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract, give to the other party the notice required hereunder.
4. The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.

SCHEDULE "A"

5. An event of force majeure on Union's system will excuse the failure to deliver gas by Union or the failure to accept gas by Union hereunder, and both parties shall be excused from performance of their obligations hereunder, except for payment obligations, to the extent of and for the duration of the force majeure.
6. Upstream or Downstream Force Majeure: An event of force majeure upstream or downstream of Union's system shall not relieve Shipper of any payment obligations.
7. Delay of Firm Transportation Services: Despite Article XI herein, if Union is prevented, by reason of an event of force majeure on Union's system from delivering gas on the Day or Days upon which Union has accepted gas from Shipper, Union shall thereafter make all reasonable efforts to deliver such quantities as soon as practicable and on such Day or Days as are agreed to by Shipper and Union. If Union accepts such gas on this basis, Shipper shall not receive any demand charge relief as contemplated under Article XI herein.
8. Demand Charge Relief for Firm Transportation Services: Despite Article XI herein, if on any Day Union fails to accept gas from Shipper by reason of an event of force majeure on Union's system and fails to deliver the quantity of gas nominated hereunder by Shipper up to the firm Contract Demand for that Contract, then for that Day the Monthly demand charge shall be reduced by an amount equal to the applicable Daily Demand Rate, as defined in this paragraph, multiplied by the difference between the quantity of gas actually delivered by Union during such Day and the quantity of gas which Shipper in good faith nominated on such Day. The term "Daily Demand Rate" shall mean the Monthly demand charge or equivalent pursuant to the C1 Rate Schedule divided by the number of days in the month for which such rate is being calculated.
9. If, due to the occurrence of an event of force majeure as outlined above, the capacity for gas deliveries by Union is impaired, it will be necessary for Union to curtail Shipper's gas receipts to Union hereunder, via proration based on utilization of such facilities for the Day. This prorating shall be determined by multiplying the capability of such facilities as available downstream of the impairment on the Day, by a fraction where the numerator is Shipper's nominated firm quantity and the denominator is the total of all such nominated firm quantities for nominated services and planned consumption for in-franchise customers on the Day. For the purposes of this Article XI, firm services shall mean all firm services provided by Union to in-franchise customers and ex-franchise shippers.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI hereof) which has not been waived by the other party, then and in every such case and as often as the same may happen, the Non-defaulting party may give written notice to the Defaulting party requiring it to remedy such default and in the event of the Defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the Non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

XIII. MODIFICATION

Subject to Union's C1 Rate Schedule, Schedule A, Article XV and the ability of Union to amend the C1 Rate Schedule with the approval of the OEB, no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

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XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

UNION SOUTH - RATE C1
GENERAL TERMS & CONDITIONS

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

"**Authorized Overrun**" shall mean the amount by which Shipper's Authorized Quantity exceeds the Contract Demand;

"**Available Capacity**" shall mean at any time, Union's remaining available capacity to provide Transportation Services;

"**Business Day**" shall mean any day, other than Saturday, Sunday or any days on which national banks in the Province of Ontario are authorized to close;

"**Contract**" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

"**Contract Year**" shall mean a period of three hundred and sixty-five (365) consecutive days; provided however, that any such period which contains a date of February 29 shall consist of three hundred and sixty-six (366) consecutive days, commencing on November 1 of each year; except for the first Contract Year which shall commence on the Commencement Date and end on the first October 31 that follows such date;

"**cricondenthem hydrocarbon dewpoint**" shall mean the highest hydrocarbon dewpoint temperature on the phase envelope;

"**cubic metre**" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"**Day**" shall mean a period of twenty-four (24) consecutive hours beginning at 10:00 a.m. Eastern Clock Time. The reference date for any Day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

"**delivery**" shall mean any gas that is delivered by Union into Shipper's possession, or to the possession of Shipper's agent;

"**Eastern Clock Time**" shall mean the local clock time in the Eastern Time Zone on any Day;

"**Expansion Facilities**" shall mean any new facilities to be constructed by Union in order to provide Transportation Services;

"**firm**" shall mean service not subject to curtailment or interruption except under Articles XI, XII and XVIII herein;

"**gas**" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Sch. B, as amended, supplemented or re-enacted from time to time;

"**gross heating value**" shall mean the total heat expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

"**hydrocarbon dewpoint**" shall mean temperature at a specific pressure where hydrocarbon vapour condensation begins;

"**Interruptible Service HUB Contract**" shall mean a contract between Shipper and Union under which Union provides interruptible HUB service;

"**interruptible service**" or "**Interruptible**" shall mean service subject to curtailment or interruption, after notice, at any time;

"**Interconnecting Pipeline**" shall mean a pipeline that directly connects to the Union pipeline system;

"**joule**" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "**megajoule**" (MJ) shall mean 1,000,000 joules. The term "**gigajoule**" (GJ) shall mean 1,000,000,000 joules;

"**Limited Firm**" shall mean gas service subject to interruption or curtailment on a limited number of Days as specified in the Contract;

"**Loaned Quantities**" shall mean those quantities of gas loaned to Shipper under the Facilitating Agreement;

"**m³**" shall mean cubic metre of gas and "**10³m³**" shall mean 1,000 cubic metres of gas;

"**Month**" shall mean the period beginning at 10:00 a.m. Eastern Clock Time on the first day of a calendar month and ending at 10:00 a.m. Eastern Clock Time on the first day of the following calendar month;

"**NAESB**" shall mean North American Energy Standards Board;

"**OEB**" means the Ontario Energy Board;

"**Open Season**" or "**open season**" shall mean an open access auction or bidding process held by Union as a method of allocating capacity;

"**pascal**" ("**Pa**") shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" ("**kPa**") shall mean 1,000 pascals;

"**receipt**" shall mean any gas that is delivered into Union's possession, or the possession of Union's agent;

"**Shipper**" shall have the meaning as defined in the Contract, and shall also include Shipper's agent(s);

"**specific gravity**" shall mean density of the gas divided by density of air, with both at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

"**Taxes**" shall mean any tax (other than tax on income or tax on property), duty, royalty, levy, license, fee or charge not included in the charges and rates as per the applicable rate schedule (including but not limited to charges under any form of cap and trade, carbon tax, or similar system) and that is levied, assessed or made by any governmental authority on the gas itself, or the act, right, or privilege of producing, severing, gathering, storing, transporting, handling, selling or delivering gas under the Contract;

"**TCPL**" means TransCanada PipeLines Limited;

"**Union**" shall mean Enbridge Gas Inc. operating as Union Gas;

"**Wobbe Number**" shall mean gross heating value of the gas divided by the square root of its specific gravity.

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons, except methane, may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to

compression, dehydration, cooling, cleaning and other processes.

2. Freedom from objectionable matter: The gas to be delivered to/by Union hereunder,
 - a. shall be commercially free from bacteria, sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to, or interference with, the proper operation of the lines, regulators, meters or other appliances through which it flows,
 - b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas, nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas,
 - c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,
 - d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,
 - e. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,
 - f. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,
 - g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,
 - h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of gas,
 - i. shall not have a cricondenthem hydrocarbon dewpoint exceeding minus eight (-8) degrees Celsius,
 - j. shall have Wobbe Number from forty seven point fifty (47.50) megajoules per cubic metre of gas to fifty one point forty six (51.46) megajoules per cubic metre of gas, maximum of one point five (1.5) mole percent by volume of butane plus (C4+) in the gas, and maximum of four point zero (4.0) mole percent by volume of total inerts in the gas in order to be interchangeable with other Interconnecting Pipeline gas.
3. Non-conforming Gas: In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in this Article II.
4. Quality of Gas Received: The quality of the gas to be received by Union hereunder is to be of a merchantable quality and in accordance with the quality standards as set out by Union in this Article II, but, Union will also accept gas of a quality as set out in any other Interconnecting Pipeline's general terms and conditions, provided that all Interconnecting Pipelines accept such quality of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in Union's C1 Rate Schedule.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: The unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m³) or one thousand cubic metres (10³m³) at Union's discretion.
2. Determination of Volume and Energy:
 - a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), RSC 1985, c E-4- (the "**Act**") and the Electricity and Gas Inspection Regulations, SOR 86/131 (the "**Regulations**"), and any documents issued under the authority of the Act and Regulations and any amendments thereto.
 - b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas

Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.

- c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII herein.
- d. Upon request by Union, Shipper shall obtain measurement of the total quantity of gas received by Union hereunder from the Interconnecting Pipeline. Such measurement shall be done in accordance with established practices between Union and the Interconnecting Pipeline.

IV. RECEIPT POINT AND DELIVERY POINT

1. Unless otherwise specified in the Contract, the point or points of receipt and point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where possession of the gas changes from one party to the other, and as per Schedule "C 2010".

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

1. Possession of Gas: Union accepts no responsibility for any gas prior to such gas being delivered to Union at the Receipt Point or after its delivery by Union at the Delivery Point. As between the parties hereto, Union shall be deemed to be in control and possession of and responsible for all such gas from the time that such gas enters Union's system until such gas is delivered to Shipper.
2. Liability: Shipper agrees that Union is not a common carrier and is not an insurer of Shipper's gas, and that Union shall not be liable to Shipper or any third party for loss of gas in Union's possession, except to the extent such loss is caused entirely by Union's negligence or wilful misconduct.

VI. FACILITIES ON SHIPPER'S PROPERTY

Except under those conditions where Union is delivering to TCPL for TCPL or Shipper at Parkway (TCPL), or to an Interconnecting Pipeline, or where otherwise specified in the Contract, the following will apply:

1. Construction and Maintenance: Union, at its own expense may construct, maintain and operate on Shipper's property at the delivery point a measuring station properly equipped with a meter or meters and any other necessary measuring equipment for properly measuring the gas redelivered under the Contract. Shipper will grant to Union a lease and/or rights-of-way over property of Shipper as required by Union to install such facilities and to connect same to Union's pipeline.
2. Entry: Union, its servants, agents and each of them may at any reasonable time on notice (except in cases of emergency) to Shipper or his duly authorized representative enter Shipper's property for the purpose of constructing, maintaining, removing, operating and/or repairing station equipment.
3. Property: The said station and equipment will be and remain the property of Union notwithstanding it is constructed on and attached to the realty of Shipper, and Union may at its own expense remove it upon termination of the Contract and will do so if so requested by Shipper.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III herein.

2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by its regulatory body.
3. Check Measuring Equipment: Shipper may install, maintain and operate, at the redelivery point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the delivery point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.
4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten (10) days after receipt thereof.
5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party notifies the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing receipts and deliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Act and Regulations, as may be amended from time to time and in accordance with any successor statutes and regulations.
6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.
7. Error in Metering or Meter Failure: In the event of an error in metering or a meter failure, (such error or failure being determined through check measurement by Union or any other available method), then Shipper shall enforce its rights as Shipper with the Interconnecting Pipeline(s) to remedy such error or failure including enforcing any inspection and/or verification rights and procedures.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the tenth (10th) day of each month for all Transportation Services furnished during the preceding Month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding Month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the tenth (10th) day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.
2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.
3. Amendment of Statements: For the purpose of completing a final determination of the actual quantities of gas handled in any of the Transportation Services to Shipper, the parties shall have the right to amend their statement for a period equal to

the time during which the Interconnecting Pipeline retains the right to amend their statements, which period shall not exceed three (3) years from the date of termination of the Contract.

IX. PAYMENTS

1. Monthly Payments: Shipper shall pay the invoiced amount directly into Union's bank account as directed on the invoice on or before the twentieth (20th) day of each month. If the payment date is not a Business Day, then payment must be received in Union's account on the first Business Day preceding the twentieth (20th) day of the month.
2. Remedies for Non-payment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,
 - a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment; and,
 - b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend Services until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend Services because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

Notwithstanding the foregoing, Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "**bill next following**" shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within three (3) years from the date of the incorrect billing. In the event any refund is issued with Shipper's bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.
4. Taxes: In addition to the charges and rates as per the applicable rate schedules and price schedules, Shipper shall pay all Taxes which are imposed currently or subsequent to the execution of the Contract by any legal authority having jurisdiction and any amount in lieu of such Taxes paid or payable by Union.

Shipper shall make reasonable efforts to eliminate/minimize the withholding tax related to the fees/payments paid to Union, including but not limited to requesting from Union the relevant documentation necessary to determine the appropriate withholding, if any, for tax purposes. In the event taxes are withheld from the fees/payment paid by Shipper, Shipper shall remit such withheld taxes to the applicable taxing authority and Shipper will provide Union, after the calendar year end, Union's Federal Form 1042-S and a comparable state/international form, if applicable, within the applicable statutory time frame.

5. Set Off: If either party shall, at any time, be in arrears under any of its payment obligations to the other party under the Contract, then the party not in arrears shall be entitled to reduce the amount payable by it to the other party in arrears under the Contract, or any other contract, by an amount equal to the amount of such arrears or other indebtedness to the other party. In addition to the foregoing remedy, Union may, upon forty-eight (48) hours verbal notice, to be followed by written notice, take possession of any or all of Shipper's gas under the Contract or any enhancement to the Contract, which shall be deemed to have been assigned to Union, to reduce such arrears or other indebtedness to Union.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act, 1991, or any act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. Definition: The term "**force majeure**" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.
2. Notice: In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.
3. Exclusions: Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not, as soon as possible after determining, or within a period within which it should acting reasonably have determined, that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract, give to the other party the notice required hereunder.
4. Notice of Remedy: The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.
5. Obligation to Perform: An event of force majeure on Union's system will excuse the failure to deliver gas by Union or the failure to accept gas by Union hereunder, and both parties shall be excused from performance of their obligations hereunder, except for payment obligations, to the extent of and for the duration of the force majeure.

6. Upstream or Downstream Force Majeure: An event of force majeure upstream or downstream of Union's system shall not relieve Shipper of any payment obligations.
7. Delay of Firm Transportation Services: Despite Article XI herein, if Union is prevented, by reason of an event of force majeure on Union's system from delivering gas on the Day or Days upon which Union has accepted gas from Shipper, Union shall thereafter make all reasonable efforts to deliver such quantities as soon as practicable and on such Day or Days as are agreed to by Shipper and Union. If Union accepts such gas on this basis, Shipper shall not receive any demand charge relief as contemplated under Article XI herein.
8. Demand Charge Relief for Firm Transportation Services: Despite Article XI herein, if on any Day Union fails to accept gas from Shipper by reason of an event of force majeure on Union's system and fails to deliver the quantity of gas nominated hereunder by Shipper up to the firm Contract Demand for that Contract, then for that Day the Monthly demand charge shall be reduced by an amount equal to the applicable Daily Demand Rate, as defined in this paragraph, multiplied by the difference between the quantity of gas actually delivered by Union during such Day and the quantity of gas which Shipper in good faith nominated on such Day. The term "**Daily Demand Rate**" shall mean the Monthly demand charge or equivalent pursuant to the C1 Rate Schedule divided by the number of days in the month for which such rate is being calculated.
9. Proration of Firm Transportation Service: If, due to the occurrence of an event of force majeure as outlined above, the capacity for gas deliveries by Union is impaired, it will be necessary for Union to curtail Shipper's gas receipts to Union hereunder, via proration based on utilization of such facilities for the Day. This prorating shall be determined by multiplying the capability of such facilities as available downstream of the impairment on the Day, by a fraction where the numerator is Shipper's nominated firm quantity and the denominator is the total of all such nominated firm quantities for nominated services and planned consumption for in-franchise customers on the Day. For the purposes of this Article XI, firm services shall mean all firm services provided by Union to in-franchise customers and ex-franchise shippers.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI herein) which has not been waived by the other party, then and in every such case and as often as the same may happen, the non-defaulting party may give written notice to the defaulting party requiring it to remedy such default and in the event of the defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

XIII. AMENDMENT

Subject to Article XV herein and the ability of Union to amend the applicable rate schedules and price schedules, with the approval of the OEB (if required), no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

No waiver of any provision of the Contract shall be effective unless the same shall be in writing and signed by the party entitled to the benefit of such provision and then such waiver shall be effective only in the specific instance and for the specified purpose for which it was given. No failure on the part of Shipper or Union to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy under the Contract shall operate as a waiver thereof.

XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

XVI. ALLOCATION OF CAPACITY

1. Requests for Transportation Service: A potential shipper may request transportation service on Union's system at any time. Any request for C1 transportation service must include: potential shipper's legal name, Receipt Point(s), Delivery Point(s), Commencement Date, Initial Term, Contract Demand, proposed payment, and type of transportation service requested.
2. Expansion Facilities: If requests for firm transportation services cannot be met through existing capacity such that the only way to satisfy the requests for transportation service would require the construction of Expansion Facilities which create new capacity, Union shall allocate any such new capacity by open season, subject to the terms of the open season, and these General Terms and Conditions.
3. Open Seasons: If requests for long-term transportation service can be met through existing facilities upon which long-term capacity is becoming available, Union shall allocate such long-term capacity by open season, subject to the terms of the open season, and these General Terms and Conditions. "Long-term", for the purposes of this Article XVI, means, in the case of a transportation service, a service that has a term of one year or greater.
4. Awarding Open Season Capacity: Capacity requests received during an open season shall be awarded starting with those bids with the highest economic value. If the economic values of two or more independent bids are equal, then service shall be allocated on a pro-rata basis. The economic value shall be based on the net present value which shall be calculated based on the proposed per- unit rate and the proposed term of the contract and without regard to the proposed Contract Demand ("NPV").
5. Available Capacity Previously Offered in Open Season: Union may at any time allocate capacity to respond to any C1 transportation service request through an open season. If a potential shipper requests C1 transportation service that can be provided through Available Capacity that was previously offered by Union in an open season but was not awarded, then:
 - a. Any such request must conform to the requirements of Section 1 of this Article XVI;
 - b. Union shall allocate capacity to serve such request pursuant to this Section 5, and subject to these General Terms and Conditions and Union's standard form C1 transportation contract;
 - c. Union may reject a request for C1 transportation service for any of the following reasons:
 - i) if there is insufficient Available Capacity to fully meet the request, but if that is the only reason for rejecting the request for service, Union must offer to supply the Available Capacity to the potential shipper;
 - ii) if the proposed monthly payment is less than Union's Monthly demand charge plus fuel requirements for the applicable service;
 - iii) if prior to Union accepting the request for transportation service Union receives a request for transportation service from one or more other potential shippers and there is, as a result, insufficient Available Capacity to service all the requests for service, in which case Union shall follow the procedure in Section 5 d hereof;
 - iv) if Union does not provide the type of transportation service requested; or
 - v) if all of the conditions precedent specified in Article XXI Sections 1 and 2 herein have not been satisfied or waived.

- d. Union will advise the potential shipper in writing whether Union accepts or rejects the request for service, subject to Article XVI 5(c) within 5 calendar days of receiving a request for C1 transportation service. If Union rejects a request for service, Union shall inform the potential shipper of the reasons why its request is being rejected; and
- e. If Union has insufficient Available Capacity to service all pending requests for transportation service Union may:
 - i) Reject all the pending requests for transportation service and conduct an open season; or
 - ii) Union shall inform all the potential shippers who have submitted a pending request for transportation service that it does not have sufficient capacity to service all pending requests for service, and Union shall provide all such potential shippers with an equal opportunity to submit a revised request for service. Union shall then allocate the Available Capacity to the request for transportation service with the highest economic value to Union. If the economic values of two or more requests are equal, then service shall be allocated on a pro-rata basis. The economic value of any request shall be based on the NPV.

XVII. RENEWALS

- 1. Contracts with an Initial Term of five (5) years or greater, with Receipt Points and Delivery Points of Parkway or Kirkwall or Dawn (Facilities), will continue in full force and effect beyond the Initial Term, automatically renewing for a period of one (1) year, and every one (1) year thereafter. Shipper may reduce the Contract Demand or terminate the Contract with notice in writing by Shipper at least two (2) years prior to the expiration thereof.

For all other contracts, the Contract will continue in full force and effect until the end of the Initial Term, but shall not renew.

XVIII. SERVICE CURTAILMENT

- 1. Right to Curtail: Union shall have the right to curtail or not to schedule part or all of Transportation Services, in whole or in part, on all or a portion of its pipeline system at any time for reasons of Force Majeure or when, in Union sole discretion, acting reasonably, capacity or operating conditions so require or it is desirable or necessary to make modifications, repairs or operating changes to its pipeline system. Union shall provide Shipper such notice of such curtailment as is reasonable under the circumstances. If due to any cause whatsoever Union is unable to receive or deliver the quantities of Gas which Shipper has requested, then Union shall order curtailment by all Shippers affected and to the extent necessary to remove the effect of the disability. Union has a priority of service policy to determine the order of service curtailment. In order to place services on the priority of service list, Union considers the following business principles: appropriate level of access to core services, customer commitment, encouraging appropriate contracting, materiality, price and term, and promoting and enabling in-franchise consumption.

The Priority ranking for all services utilizing Union Gas' storage, transmission and distribution system as applied to both in-franchise and ex-franchise services are as follows; with number 1 having the highest priority and the last interrupted.

- 1. Firm In-franchise Transportation and Distribution services and firm Ex-franchise services (Note 1)
- 2. In-franchise Interruptible Distribution services
- 3. C1/M12 IT Transport and IT Exchanges with Take or Pay rates
- 4. Balancing (Hub Activity) < = 100 GJ/d; Balancing (Direct Purchase) < = 500 GJ/d; In-franchise distribution authorized overrun (Note 3)
- 5. C1/M12 IT Transport and IT Exchanges at premium rates
- 6. C1/M12 Overrun < = 20% of CD (Note 4)
- 7. Balancing (Direct Purchase) > 500 GJ/d
- 8. Balancing (Hub Activity) > 100 GJ/d; C1/M12 IT Transport and IT Exchanges
- 9. C1/M12 Overrun > 20% of CD
- 10. C1/M12 IT Transport and IT Exchanges at a discount
- 11. Late Nominations

Notes:

1. Nominated services must be nominated on the NAESB Timely Nomination Cycle otherwise they are considered to be late nomination and are therefore interruptible.
 2. Higher value or more reliable IT is contemplated in the service and contract, when purchase at market competitive prices.
 3. Captures the majority of customers that use Direct Purchase balancing transactions.
 4. Captures the majority of customers that use overrun.
2. Capacity Procedures: Union reserves the right to change its procedures for sharing interruptible capacity and will provide Shipper with two (2) months prior notice of any such change.
3. Maintenance: Union's facilities from time to time may require maintenance or construction. If such maintenance or construction is required, and in Union's sole opinion, acting reasonably, such maintenance or construction may impact Union's ability to meet Shipper's requirements, Union shall provide at least ten (10) days notice to Shipper, except in the case of an emergency. In the event the maintenance impacts Union's ability to meet Shipper's requirements, Union shall not be liable for any damages and shall not be deemed in breach of the Contract. To the extent that Union's ability to accept and/or deliver Shipper's gas is impaired, the Monthly demand charge shall be reduced in accordance with Article XI Section 8 and available capacity allocated in accordance with Article XI Section 9 herein.

Union shall use reasonable efforts to determine a mutually acceptable period during which such maintenance or construction will occur and also to limit the extent and duration of any impairments. Union will endeavour to schedule and complete the maintenance and construction, which would normally be expected to impact on Union's ability to meet Shipper's requirements, during the period from April 1 through to November 1.

XIX. SHIPPER'S REPRESENTATIONS AND WARRANTIES

1. Shipper's Warranty: Shipper warrants that it will, if required, maintain, or have maintained on its behalf, all external approvals including the governmental, regulatory, import/export permits and other approvals or authorizations that are required from any federal, state or provincial authorities for the gas quantities to be handled under the Contract. Shipper further warrants that it shall maintain in effect the Facilitating Agreements.
2. Financial Representations: Shipper represents and warrants that the financial assurances (including the Initial Financial Assurances and Security) (if any) shall remain in place throughout the term hereof, unless Shipper and Union agree otherwise. Shipper shall notify Union in the event of any change to the financial assurances throughout the term hereof. Should Union have reasonable grounds to believe that Shipper will not be able to perform or continue to perform any of its obligations under the Contract as a result of one of the following events ("**Material Event**");
 - a. Shipper is in default, which default has not been remedied, of the Contract or is in default of any other material contract with Union or another party; or,
 - b. Shipper's corporate or debt rating falls below investment grade according to at least one nationally recognized rating agency; or,
 - c. Shipper ceases to be rated by a nationally recognized agency; or,
 - d. Shipper has exceeded credit available as determined by Union from time to time,

then Shipper shall within fourteen (14) days of receipt of written notice by Union, obtain and provide to Union a letter of credit or other security in the form and amount reasonably required by Union (the "**Security**"). The Security plus the Initial Financial Assurances shall not exceed twelve (12) months of Monthly demand charges (in accordance with Article IX herein) multiplied by Contract Demand. In the event that Shipper does not provide to Union such Security within such fourteen (14) day period, Union may deem a default under the Default and Termination provisions of Article XII herein.

In the event that Shipper in good faith, reasonably believes that it should be entitled to reduce the amount of or value of the Security previously provided, it may request such a reduction from Union and to the extent that the Material Event has been mitigated or eliminated, Union shall return all or a portion of the Security to Shipper within fourteen (14) Business Days after

receipt of the request.

XX. MISCELLANEOUS PROVISIONS

1. Permanent Assignment: Shipper may assign the Contract to a third party ("Assignee"), up to the Contract Demand, (the "Capacity Assigned"). Such assignment shall require the prior written consent of Union and release of obligations by Union for the Capacity Assigned from the date of assignment. Such consent and release shall not be unreasonably withheld and shall be conditional upon the Assignee providing, amongst other things, financial assurances as per Article XXI herein. Any such assignment will be for the full rights, obligations and remaining term of the Contract as relates to the Capacity Assigned.
2. Temporary Assignment: Shipper may, upon notice to Union, assign all or a part of its service entitlement under the Contract (the "Assigned Quantity") and the corresponding rights and obligations to an Assignee on a temporary basis for not less than one calendar month. Such assignment shall not be unreasonably withheld and shall be conditional upon the Assignee executing the Facilitating Agreement as per Article XXI herein. Notwithstanding such assignment, Shipper shall remain obligated to Union to perform and observe the covenants and obligations contained herein in regard to the Assigned Quantity to the extent that Assignee fails to do so.
3. Title to Gas: Shipper represents and warrants to Union that Shipper shall have good and marketable title to, or legal authority to deliver to Union, all gas delivered to Union hereunder. Furthermore, Shipper hereby agrees to indemnify and save Union harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of claims of any or all third parties to such gas or on account of Taxes, or other charges thereon.

XXI. PRECONDITIONS TO TRANSPORTATION SERVICES

1. Union Conditions: The obligations of Union to provide Transportation Services hereunder are subject to the following conditions precedent, which are for the sole benefit of Union and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Union shall have obtained, in form and substance satisfactory to Union, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required to provide the Transportation Services; and,
 - b. Union shall have obtained all internal approvals that are necessary or appropriate to provide the Transportation Services; and,
 - c. Union shall have received from Shipper the requisite financial assurances reasonably necessary to ensure Shipper's ability to honour the provisions of the Contract (the "**Initial Financial Assurances**"). The Initial Financial Assurances, if required, will be as determined solely by Union; and,
 - d. Shipper and Union shall have entered into the Interruptible Service HUB Contract or equivalent (the "**Facilitating Agreement**") with Union.
2. Shipper Conditions: The obligations of Shipper hereunder are subject to the following conditions precedent, which are for the sole benefit of Shipper and which may be waived or extended in whole or in part in the manner provided in the Contract:
 - a. Shipper shall, as required, have entered into the necessary contracts with Union and/or others to facilitate the Transportation Services contemplated herein, including contracts for upstream and downstream transportation, and shall specifically have an executed and valid Facilitating Agreement; and shall, as required, have entered into the necessary contracts to purchase the gas quantities handled under the Contract; and,

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- b. Shipper shall have obtained, in form and substance satisfactory to Shipper, and all conditions shall have been satisfied under, all governmental, regulatory and other third party approvals, consents, orders and authorizations, that are required from federal, state, or provincial authorities for the gas quantities handled under the Contract; and,
 - c. Shipper shall have obtained all internal approvals that are necessary or appropriate for the Shipper to execute the Contract.
3. Satisfaction of Conditions: Union and Shipper shall each use due diligence and reasonable efforts to satisfy and fulfil the conditions precedent specified in this Article XXI Section 1 a, c, and d and Section 2 a and b. Each party shall notify the other forthwith in writing of the satisfaction or waiver of each condition precedent for such party's benefit. If a party concludes that it will not be able to satisfy a condition precedent that is for its benefit, such party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations thereunder.
4. Non-Satisfaction of Conditions: If any of the conditions precedent in this Article XXI Section 1 c or Section 2 are not satisfied or waived by the party entitled to the benefit of that condition by the Conditions Date as such term is defined in the Contract, then either party may, upon written notice to the other party, terminate the Contract and upon the giving of such notice, the Contract shall be of no further force and effect and each of the parties shall be released from all further obligations hereunder, provided that any rights or remedies that a party may have for breaches of the Contract prior to such termination and any liability a party may have incurred before such termination shall not thereby be released.

UNION SOUTH - RATE C1
NOMINATIONS

- a) For Services provided either under this rate schedule or referenced to this rate schedule:
- i) For Services required on any day Shipper shall provide Union with details regarding the quantity it desires to be handled at the applicable Receipt Point(s) and/or Delivery Point(s), and such additional information as Union determines to be necessary (a "**Nomination**").
 - ii) All Nominations shall be submitted by electronic means via *Unionline*. Union, in its sole discretion, may amend or modify the nominating procedures or *Unionline* at any time. Nominations shall be submitted so as to be received by Union in accordance with timelines established by Union, which reflect the NAESB standard nomination cycles. Union will accept all Nominations on each of the nomination cycles. Nominations made after the applicable deadline shall not be accepted except at the sole discretion of Union. The nomination cycle timelines are posted on Union's website and the nomination deadlines are provided in *Unionline*.
 - iii) For customers electing firm all day transportation, nominations shall be provided to Union's Gas Management Services as outlined in the F24 – T Agreement.
- b) Union shall determine whether or not all or any portion of the Nomination will be accepted. In the event Union determines that it will not accept such Nomination, Union shall advise Shipper of the reduced quantity (the "**Quantity Available**") for Services at the applicable points as outlined in each nomination cycle. After receiving such advice from Union but no later than one half hour after the Quantities Available deadline as outlined in each nomination cycle, Shipper shall provide a "**Revised Nomination**" to Union which shall be no greater than the Quantity Available. If such Revised Nomination is not provided within the time allowed as required above or such Revised Nomination is greater than the Quantity Available, then the Revised Nomination shall be deemed to be the Quantity Available. If the Revised Nomination (delivered within the time allowed as required above) is less than the Quantity Available, then such lesser amount shall be the Revised Nomination.
- c) That portion of a Shipper's Nomination or Revised Nomination, as set out in (a) and (b), above, which Union shall accept for Services hereunder, shall be known as Shipper's "**Authorized Quantity**".
- d) If on any day the actual quantities handled by Union, for each of the Services authorized, exceed Shipper's Authorized Quantity, and such excess was caused by either Shipper's incorrect nomination or by its delivering or receiving too much gas, then the amount by which the actual quantities handled for each of the Services exceed Shipper's Authorized Quantity, such excess shall be deemed "**Unauthorized Overrun**".
- e) The daily quantity of gas nominated by Shipper will be delivered by Shipper at rates of flow that are as nearly constant as possible, however, Union shall use reasonable efforts to take receipt of gas on any day at an hourly rate of flow up to one twentieth (1/20) of the quantity received for that day. Union shall have the right to limit Services when on any day the cumulative hourly imbalance between receipts and deliveries exceeds one twentieth (1/20) of the quantity handled for that day, for each applicable Service.
- f) A nomination for a daily quantity of gas on any day shall remain in effect and apply to subsequent days unless and until Union receives a new nomination from the Shipper or unless Union gives Shipper written notice that it is not acceptable in accordance with either (a) or (b) of this schedule.
- g) Except for periods of gas or quantity balancing as provided in the Contract, nominations by Shipper for deliveries to Union and redeliveries by Union shall be the same delivery of gas by Union either to Shipper or a Shipper's Account with Union.

UNION SOUTH - RATE C1
NOMINATIONS

1. For Transportation Services required on any Day under the Contract, Shipper shall provide Union with details regarding the quantity of Gas it desires to be handled at the applicable Receipt Points(s) and/or Delivery Point(s), and such additional information as Union determines to be necessary (a "**Nomination**").
2. All Nominations shall be submitted by electronic means via *Unionline*. Union, in its sole discretion, may amend or modify the nominating procedures or *Unionline* at any time. Nominations shall be submitted so as to be received by Union in accordance with timelines established by Union, which reflect the NAESB standard nomination cycles. Union will accept all Nominations on each of the nomination cycles. Nominations made after the applicable deadline shall not be accepted except at the sole discretion of Union. The nomination cycle timelines are posted on Union's website and the nomination deadlines are provided in *Unionline*.
3. Union shall determine whether or not all or any portion of the Nomination will be scheduled at each nomination cycle. With respect to each nomination cycle, in the event Union determines that it will not schedule such Nomination, Union shall advise Shipper of the reduced quantity (the "**Quantities Available**") for Transportation Services at the applicable points as outlined in each nomination cycle. After receiving such advice from Union, but no later than one half hour after the Quantities Available deadline as outlined in each nomination cycle, Shipper shall provide a revised nomination ("**Revised Nomination**") to Union which shall be no greater than the Quantity Available. If such Revised Nomination is not provided within the time allowed as required above or such Revised Nomination is greater than the Quantities Available, then the Revised Nomination shall be deemed to be the Quantities Available. If the Revised Nomination (delivered with the time allowed as required above) is less than the Quantity Available, then such lesser amount shall be the Revised Nomination.
4. For Shippers electing firm all day transportation service, nominations shall be provided to Union's Gas Management Services as outlined in the F24 –T Agreement.
5. For Transportation Services requiring Shipper to provide compressor fuel in kind, the nominated fuel requirements will be calculated by rounding to the nearest whole GJ.
6. All Timely Nominations shall have rollover options. Specifically, Shippers shall have the ability to nominate for several days, months or years, provided the Nomination start date and end date are both within the term of the Transportation Agreement.
7. Nominations received after the nomination deadline shall, if accepted by Union, be scheduled after Nominations received before the nomination deadline.
8. All Services are required to be nominated in whole Gigajoules (GJ).
9. To the extent Union is unable to complete a Nomination confirmation due to inaccurate, untimely or incomplete data involving an Interconnecting Pipeline entity, Union shall undertake reasonable efforts to confirm the transaction on a non-discriminatory basis until such time that the transaction is adequately verified by the parties, or until such time that Union determines that the Nomination is invalid at which time the Union shall reject the Nomination.
10. That portion of a Shipper's Nomination or Revised Nomination, as set out in paragraphs 1 and 3 above, which Union shall schedule for Transportation Services hereunder, shall be known as Shipper's "**Authorized Quantity**".
11. If on any day the actual quantities handled by Union, for each of the Transportation Services authorized, exceed Shipper's Authorized Quantity, and such excess was caused by either Shipper's incorrect nomination or by its delivering or receiving too much gas, then the amount by which the actual quantities handled for each of the Transportation

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Services exceed Shipper's Authorized Quantity shall be deemed "**Unauthorized Overrun**".

12. The daily quantity of gas nominated by Shipper will be delivered by Shipper at rates of flow that are as nearly constant as possible, however, Union shall use reasonable efforts to take receipt of gas on any day at an hourly rate of flow up to one twentieth (1/20th) of the quantity received for that day. Union shall have the right to limit Transportation Services when on any day the cumulative hourly imbalance between receipts and deliveries exceeds one twentieth (1/20th) of the quantity handled for that day, for each applicable Transportation Service.
13. The parties hereto recognize that with respect to Transportation Services, on any day, receipts of gas by Union and deliveries of gas by Union may not always be exactly equal, but each party shall cooperate with the other in order to balance as nearly as possible the quantities transacted on a daily basis, and any imbalances arising shall be allocated to the Facilitating Agreement and shall be subject to the respective terms and charges contained therein, and shall be resolved in a timely manner.
14. Shipper may designate via *Unionline* access request form, a third party as agent for purposes of providing a Nomination, and for giving and receiving notices related to Nominations, and Union shall only accept nominations from the agent. Any such designation, if acceptable to Union, shall be effective following the receipt and processing of the written notice and will remain in effect until revoked in writing by Shipper.

**UNION SOUTH - RATE C1
RECEIPT AND DELIVERY POINTS AND PRESSURES**

1. Receipt and Delivery Points:

The following defines each Receipt Point and/or Delivery Point, as indicated (R= Receipt Point; D= Delivery Point)

R, D	<u>DAWN (FACILITIES):</u>	Union's Compressor Station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn-Euphemia, in the County of Lambton. This point is applicable for quantities of gas that have been previously transported or stored under other contracts that Shipper may have in place with Union.
R, D	<u>DAWN (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Dawn (Facilities).
R, D	<u>DAWN (TECUMSEH):</u>	At the junction of Union's and Enbridge Gas Inc.'s (Enbridge) Tecumseh Gas Storage's facilities, at or adjacent to Dawn (Facilities).
R, D	<u>DAWN (TSLE):</u>	At the junction of Union's and Enbridge's NPS 16 Tecumseh Sombra Line Extension facilities; at or adjacent to Dawn (Facilities)
R, D	<u>DAWN (VECTOR):</u>	At the junction of Union's and Vector Pipeline Limited Partnership ("Vector") facilities, at or adjacent to Dawn (Facilities).
R, D	<u>PARKWAY (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Union's facilities situated in the Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga)
R, D	<u>KIRKWALL:</u>	At the junction of Union's and TCPL's facilities at or adjacent to Union's facilities situated in Part Lot Twenty-Five (25), Concession 7, Town of Flamborough.
D	<u>PARKWAY (CONSUMERS):</u>	At the junction of Union's and Enbridge's facilities, at or adjacent to Union's facilities situated in Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga)
D	<u>LISGAR:</u>	At the junction of the facilities of Union and Enbridge situated at 6620 Winston Churchill Boulevard, City of Mississauga.
R, D	<u>OJIBWAY:</u>	At the junction of Union's and Panhandle Eastern Pipe Line Company, LP's ("Panhandle") facilities, located at the International Border between Canada and the United States in the St. Clair River.
R, D	<u>ST. CLAIR (MICHCON):</u>	At the junction of Michigan Consolidated Gas Company's ("MichCon") and St. Clair Pipelines L.P.'s facilities, located at the International Border between Canada and the United States in the St. Clair River.

R, D BLUEWATER: At the junction of Bluewater Gas Storage, LLC ("**Bluewater**") and St. Clair Pipelines L.P.'s facilities, located at the International Border between Canada and the United States in the St. Clair River.

2. Receipt and Delivery Pressures:

(a) All Gas tendered by or on behalf of Shipper to Union shall be tendered at the Receipt Point(s) at Union's prevailing pressure at that Receipt Point, or at such pressure as per operating agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(b) All Gas tendered by or on behalf of Union to Shipper shall be tendered at the Delivery Point(s) at Union's prevailing pressure at that Delivery Point or at such pressure as per agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(c) Under no circumstances shall Union be obligated to receive or deliver gas hereunder at pressures exceeding the maximum allowable operating pressures prescribed under any applicable governmental regulations; nor shall Union be required to make any physical deliveries or to accept any physical receipts which its existing facilities cannot accommodate.

ENBRIDGE GAS INC.
 Union North and Union South
 Summary of Average Interruptible Rate and Price Adjustment Changes for Rates 25, M4, M5A, M7, T1 and T2
Effective April 1, 2019

Line No.	Particulars (cents / m ³)	Monthly Charge Increase / (Decrease) (a)	Delivery Commodity Charge Increase / (Decrease) (b)	Delivery - Price Adjustment Increase / (Decrease) (c)	Carbon Charges Increase / (Decrease) (d)	Gas Commodity Price Adjustment Rate (1) (e)
	Carbon Charges (2)					
1	Federal Carbon Charge (if applicable)				3.9100	
2	Facility Carbon Charge (in addition to Interruptible Charge)				0.0084	
	Rate 25					
3	All Zones		-			(0.2720)
	Rate M4					
4	Interruptible		0.0015			
	Rate M5A					
5	Interruptible		0.0015			
	Rate M7					
6	Interruptible		-			
7	Seasonal		-			
	Rate T1 - Interruptible					
8	Transportation - Union supplies fuel		0.0016			
9	Transportation - Customer supplies fuel		0.0016			
	Rate T2 - Interruptible					
10	Transportation - Union supplies fuel		0.0003			
11	Transportation - Customer supplies fuel		0.0003			

Notes:

- (1) Applies to sales service customers only.
- (2) Changes in the Carbon Charges apply to Rate 25, M4, M5A, M7, T1 and T2.