

**Appendix "B" to Board Order
Re: MHP Core Points Decision**



uniongas

Effective
2004-01-01
Rate C1
Page 1 of 4

STORAGE AND 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 or to storage.

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

* includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh) and Dawn (Vector)

(B) Services

Storage Service under this rate schedule is:

- i) a combined space and deliverability service for storage, OR
- ii) firm deliverability, OR
- iii) a component of a balancing service offered by Union.

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 (Note I)

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 or lower than the identified rates.

Storage Service:

	Commodity Charge for both gas injected and withdrawn from storage	
	<u>Rate/GJ</u>	(Note II)
<u>Short-Term (less than 2 years) and Off Peak</u>		
a) Combined Storage Space and Interruptible Deliverability Maximum	\$ 3.000	
b) Firm Deliverability Maximum	\$ 3.000	
<u>Long-Term (2 years or more)</u>		
a) Combined Storage Space and Interruptible Deliverability Maximum	\$ 3.000	
b) Firm Deliverability Maximum	\$ 3.000	

Notes:

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



(C) Rates (Cont'd)

1. The minimum amount of storage service to which a Shipper is willing to commit,
 2. Whether the Shipper is contracting for firm or interruptible service during Union's peak or non-peak periods,
 3. Utilization of facilities,
 4. Competition, and
 5. Term.
- II. This rate may be applied in any combination of monthly demand charge, injection and/or withdrawal charge, take-or-pay charge and fuel in kind. The resulting revenue divided by the space quantity under contract must yield an average rate that falls within the range.

Transportation Service:

	Monthly Demand Charge applied to daily contract demand <u>Rate/GJ</u>	Commodity Charge Union Providing Fuel <u>Rate/GJ</u>	Commodity Charge Customer Providing Fuel <u>Fuel Ratio (Note II)</u>
a) Firm Transportation Demand:			
Between:			
St. Clair & Dawn	\$ 1.049	\$ 0.036	0.431%
Ojibway & Dawn	\$ 1.049	\$ 0.095	1.151%
Bluewater & Dawn	\$ 1.049	\$ 0.036	0.431%
From:			
Parkway to Kirkwall	\$ 0.569	\$ 0.033	0.395%
Parkway to Dawn	\$ 0.569	\$ 0.033	0.395%
Dawn to Kirkwall with Dawn Compression	\$ 1.968	\$ 0.081	0.983%
Dawn to Parkway with Dawn Compression	\$ 2.334	\$ 0.081	0.983%
b) Firm Transportation Demand From Dawn to Kirkwall and Dawn to Parkway Without LCU Protection			
- Easterly Flow - Kirkwall			
Maximum	\$ 5.602		
- Easterly Flow - Parkway			
Maximum	\$ 5.602		
c) Interruptible and Short-Term (1 year or less) Firm Transportation Commodity:			
Maximum		\$ 9.373	
Dawn (Tecumseh) and Dawn (Facilities or TCPL) and Dawn (Vector)		\$ 0.007	



(C) Rates (Cont'd)

Notes:

I. In negotiating the rate to be charged for the transportation of gas, the matters that are to be considered include:

- (1) The minimum transportation quantities to which a Shipper is willing to commit,
- (2) Utilization of facilities,
- (3) The direction of flow and time of year,
- (4) Competition, and
- (5) Term.

II. The rate may be applied in any combination of monthly demand charge, commodity charge, take-or-pay charge and fuel in kind. The resulting revenue divided by the quantity under contract must yield an average rate that falls within the range.

Overrun:

Authorized Overrun

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

	Commodity Charge Union Provides Fuel Rate/GJ	Interruptible Service Rate/GJ	For Customers Providing <u>Their Own Fuel</u> Commodity Charge Rate/GJ Fuel Ratio	
a) Storage				
Space				
September to November	\$0.937			
December to August	\$0.094			
Injection				
Maximum	\$3.000			
Withdrawal				
Maximum	\$3.000			
b) Transportation				
Firm				
Between:				
St. Clair & Dawn	\$0.070		\$0.034	0.431%
Ojibway & Dawn	\$0.129		\$0.034	1.151%
Bluewater & Dawn	\$0.070		\$0.034	0.431%
From:				
Parkway to Kirkwall	\$0.051		\$0.018	0.395%
Parkway to Dawn	\$0.051		\$0.018	0.395%
Dawn to Kirkwall	\$0.146		\$0.065	0.983%
Dawn to Parkway	\$0.158		\$0.077	0.983%
Interruptible and Short-Term (1 year or less)				
Maximum		\$9.373		
Dawn (Tecumseh), Dawn (Facilities or TCPL) and Dawn (Vector)		\$0.007		

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

Unauthorized Overrun:

For all quantities on any day in excess of Shipper's contractual rights, for which authorization has not been received, Shipper will be charged \$50 per GJ during the November 1 to April 15 period. For all quantities on any day in excess of Shipper's contractual rights, for which authorization has not been received, Shipper will be charged \$9.373 per GJ during the April 16 to October 31 period.

