



Introducing the Union Gas Storage & Transportation Newsletter "Dawn Horizon"

Union Gas is pleased to welcome you to the inaugural issue of [Dawn Horizon](#), our online Storage & Transportation newsletter. This newsletter was created in direct response to requests from our valued Shippers. Our aim is to provide you with valuable and current information about activities that affect Union Gas' Storage and Transportation Services.

The Union Gas Storage & Transportation team will publish Dawn Horizon three times a year, and each edition will include valuable information on Union Gas and the Dawn Hub. Dawn Horizon will include information on initiatives to serve our Shippers better, feedback on surveys that we have conducted to help us improve your service experience with Union Gas, and information on changing services and operations. In addition, each issue will contain a safety message that we hope you will learn from and possibly inspire you to make safety an important part of your business.

We value your feedback, and we will continually look to improve Dawn Horizon. Please contact your Account Manager if there are topics that you would like to see covered in future issues.

The following articles appear in this issue:

- Re-launch of the Storage & Transportation section of uniongas.com
 - Redesigned website makes it easier to do business with Union Gas – Interactive maps and RSS feeds are just some of the new features.
- Re-cap of the S&T Customer and Supplier Meeting held August 2009
 - Duelling economists highlight the inaugural S&T Customer and Supplier Meeting.
- Results of our recent 2011 Dawn to Parkway/Kirkwall Open Season
 - Recent Open Season meets Union Gas' expectations.
- Unionline Survey results
 - Unionline survey results show customers are pleased with the changes.
- Profile of our Gas Management Services team
 - Spotlight on: Gas Management Services (GMS) at Union Gas.
- Safety Message: Creating a safety culture – A look at Union's multi-year safety strategy.

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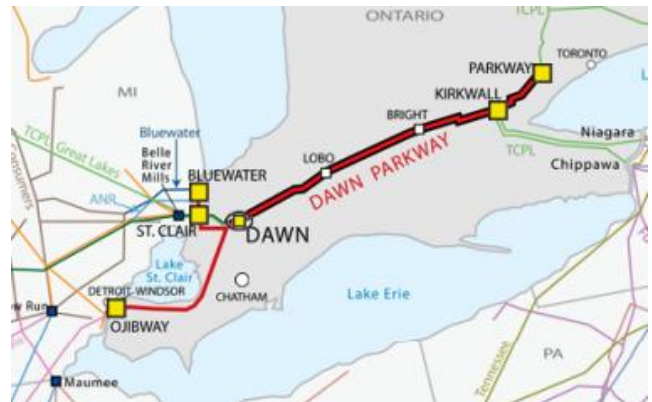
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Re-launch of the Storage & Transportation section of Uniongas.com

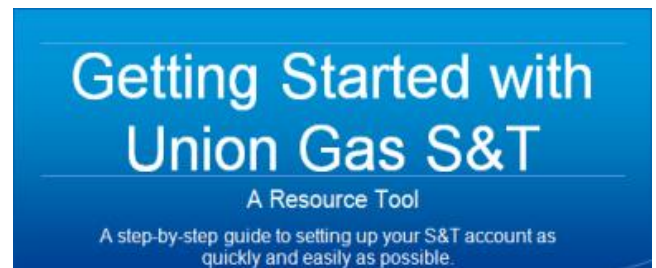
The [Storage & Transportation](#) section of the uniongas.com website has received a massive make-over. Based on feedback from customers, Union Gas has improved the quality of the content, the layout and added many new and exciting features. Here are some of the highlights:

- Interactive maps! The all new [map section](#) contains over half a dozen maps of the Union Gas storage and transportation system, PLUS an interactive map that enables you to learn more about our system.
- Enhanced communication tools – New RSS (Really Simple Syndication) user controlled browser or Outlook based subscription service technology and other subscription service features will keep you informed on Union Gas Open Seasons, Operational Status updates, presentations, and service and rate updates for our Shippers.



[What is RSS?](#)

- Simplified [service descriptions](#) - The easy to understand format, will provide you with valuable information on our innovative and flexible storage services, reliable transportation, leading edge intraday services and standard HUB services.
- New [resources section](#) - Contains valuable reference information such as examples of our standard contracts and documents, a Getting Started with Union Gas S&T package, Information about the Dawn Hub, and much, much more.
- [On-line presentations](#) - The presentation section is restructured, providing both downloadable and online versions of presentations delivered by Union Gas. These changes are just the beginning.



We will be rolling out additional features and new content over the coming months. We value your comments on the new design or on any ideas for future content additions. Union Gas strives to be your supplier of choice, and we want this site to be as useful as possible. We invite you to take the time to browse our new website, and look forward to hearing from you.



Union Gas Storage & Transportation Customer and Supplier Meeting 2009

On August 19, 2009 the Business Development, Gas Supply, Marketer Services and Strategic Accounts Departments of Union Gas held our first combined meeting for customers and suppliers of the gas commodity, storage and transportation services that flow into Union Gas' LDC franchise area and the Dawn Hub. In what will become an annual event, our major S&T, industrial and power sector customers joined us in Toronto at the Westin Harbour Castle along with the upstream pipelines and producer/marketers that do business with our Gas Supply Department at this single-day meeting. Presentations of the Union/Spectra speakers as well as Bruce Henning's are available for download from Union's redesigned and revitalized S&T website at: <http://www.uniongas.com/2009customermeeting/>



Bruce Henning, ICF

The meeting provided Union Gas' frontline sales, marketing and business development staff - plus our executive - with an opportunity to describe in their own words how the sales, facility expansion and customer service projects now underway within both Union Gas and Spectra were being designed to service the needs and interests of our guests.

Interspersed with Union Gas' presentations were two guest speakers well known within the energy industry.

Bruce Henning - VP Regulatory and Market Analysis from the global consulting firm ICF International - provided a North American outlook on natural gas markets with emphasis on meeting demand growth and the impacts that a changing supply mix will have on existing and proposed natural gas infrastructure. Bruce has worked in the area of natural gas and energy economics for 29 years providing clients with regulatory analysis, and testimony, strategic and competitive analysis, gas supply planning and natural gas price forecasting.

Jeff Rubin - the keynote speaker and former CIBC World Markets Chief Economist - shared the thought provoking views from his bestselling book "Why Your World Is about to Get a Whole Lot Smaller". Jeff's straightforward and engaging talk focused first on understanding the linkages he sees between oil supply, energy prices and the global economy and then proposed how a return to high and volatile energy prices was in his view unavoidable - but came with a silver lining for Western economies that could lead to the revitalization of our local agricultural and manufacturing sectors.



Toronto Harbour

All of Union's staff and executive - plus Bruce Henning and most of our guests - stayed on after the formal presentations to join us for an evening of networking that provided time to reinforce existing relationships while forging new ones.

Feedback from those in attendance has been overwhelmingly positive for this new approach to meeting with our key partners in the Great Lakes region. Through this encouragement, plans are now underway for a 2nd Annual Storage & Transportation Customer and Supplier Meeting in Toronto.



Union Gas 2011 Dawn to Parkway/Kirkwall Open Season a Success

Union Gas recently completed an open season for Dawn to Parkway/Kirkwall (M12) transportation capacity. The Open Season ran from July 16 to August 26, for service commencing November 1, 2011 or November 1, 2012.

Customer interest in Dawn to Parkway/Kirkwall transportation capacity was strong, with binding bids received in excess of 500,000 GJ/day. Union Gas has accepted all bids subject to certain terms and conditions and has notified all successful bidders that their binding bid has been accepted.



Dawn to Parkway/Kirkwall Pipeline

Over the coming weeks, Union Gas will be working with successful bidders to execute new M12 Transportation Contracts and to ensure that terms and conditions of service are satisfied.

In conjunction with the Transportation Open Season, Union Gas also conducted a Reverse Open Season. This is an opportunity for all existing long-term transportation Shippers to “turn back” or terminate their transportation contracts prior to the end date of the original term. This process is beneficial for both Union Gas and our Shippers and is a key step in any Union Gas expansion plan. During the most recent Reverse Open Season, some Shippers did elect to return some Dawn to Parkway/Kirkwall capacity to

Union Gas starting November 1, 2011. As a result, we are currently finalizing our facility plans to ensure that we have the best asset mix to serve the Dawn to Parkway and Kirkwall demands.

We would like to thank all customers for their continued interest in Union Gas’ storage and transportation services. If you are interested in future storage and transportation open season, a new [Open Season Mailing List subscription service](#) is available for customers who would like to be notified of future open seasons.



Unionline Survey Results 2009

Union Gas is committed to being the pre-eminent provider of natural gas storage services in the Great Lakes basin, while creating highly-valued natural gas delivery services. Providing our customers with effective services and tools that help them manage their own business is an important step in developing win-win relationships.



Union Gas recently conducted an online survey of Unionline subscribers (our web-based application that supports Union Gas' large business, and storage and transportation customer segments), to gather feedback that will help us continue to improve our system.

The survey covered a variety of topics, including:

- Ease of use (friendly interface, easy to find things, consistent, appealing)
- Functionality (are transactions and data meeting customer needs)
- Reliability (is the system available when our customer needs it)
- Performance (so that our customer doesn't have to wait)
- Support (do questions get answered, is documentation adequate)
- Reaction to recent improvements and requests for future improvements
- How Unionline compares to other systems

Some notable highlights:

- Since our last survey in 2007, overall satisfaction with Unionline has increased significantly from 72% to 83% (note: 66% is considered "performance excellence")
- Overall satisfaction with Unionline support staff came in at an amazing 93% rating
- System performance improvements resulted in a continually improving satisfaction rating of 73%; an increase from 63% in 2007 and 49% in 2004

These very positive results demonstrate that Union Gas is heading in the right direction – but the work doesn't stop there. Union Gas will be using the 2009 survey results to determine how best to improve Unionline going forward.

"Two years ago, based on feedback from customers, a number of internal groups set out to make specific improvements to Unionline." said Wayne Andrews, Manager, Gas Management Services. "It is very rewarding to see these survey results and we are committed to using the feedback from this survey to continue to improve our Unionline system, to make it even more function-rich, reliable, and high performing."



Profile of Gas Management Services at Union Gas

The Gas Management Services (“GMS”) team at Union Gas is a dedicated group of professionals that performs many functions that support both Union Gas as a local distribution company (“LDC”) and as a storage and transmission company (“S&T”).

As an LDC, Union Gas purchases supply and transportation capacity on upstream pipelines to serve many of its 1.3 million utility customers. The LDC purchases gas supplies from supply basins in western Canada and the US, and we rely on the GMS team to facilitate the transportation of these purchases. The GMS team submits nominations on 11 pipelines and ensures that the gas supplies reach our Ontario franchise area. We rely on the GMS staff to be knowledgeable about each pipeline’s unique nomination and scheduling protocols and web based systems.

As an S&T company, GMS receives daily nominations from in-franchise and ex-franchise customer segments via our secure, web-based Unionline system. Union Gas accepts nominations on each of the four standard NAESB nomination windows, i.e. Timely, Evening, Intraday 1 and Intraday 2, so that Shippers can easily schedule their nominations across the North American pipeline grid. Union Gas also offers innovative, firm all day storage and transportation services that provide Shippers an additional nine nomination windows – all accessible through our Unionline nominations platform.



The GMS Team participated in a successful Heart and Stroke Big Bike fundraising event in memory of fellow Union Gas employees Roger Mukherjee and Jeff Wolsey.

GMS recognizes the need for Shippers to be able to transact business in an electronic world as efficiently and reliably as possible. That’s why Union Gas continues to upgrade our nomination and scheduling systems to make it easier to do business with us. Our recently concluded [Unionline survey](#) is one of the tools that we use to gather feedback from customers to help direct our efforts. Whether it’s over the phone, using email, or instant messaging, the Union Gas GMS group is committed to providing a superior customer experience.

Each day, GMS facilitates almost 10 Bcf/day of title transfers throughout the Union Gas Storage and Transportation system. With an average of 10,000 daily transactions, 1,100 active parties and 2,200 contracts, Union Gas uses our efficient and reliable electronic nominations and scheduling systems, Unionline and CARE, to meet our Shippers’ expectations.

GMS responsibilities go beyond managing storage and transportation flows on pipelines. The group is also responsible for gathering daily measurement from multiple pipeline interconnects and utility customer meters. With this data, daily account balances are calculated, and a variety of daily and monthly consumption and measurement reports are available for our Shippers to view online.



Leading Safety - A Comprehensive Strategy

At Union Gas, we are deeply committed to safety, both in our work-place and in the communities we serve. It is a mindset that's with us 24/7.

It's why you see us meeting or exceeding safety codes for the construction and operation of our pipelines.

It's why you see us proactively communicating important safety information with our customers in our bill, on our web-site and through the media.

It's why you see us leading the way on Corporate Safety Policies such as the complete ban on the use of electronic devices such as cell phones while driving.

It's why you see us providing financial support for important community safety initiatives such as Children's Safety Villages across Ontario.

And it's also why each edition of Dawn Horizon will include a safety message.

We sincerely hope that sharing our learning's and experiences will will inspire you to enhance your focus on safety - both at work and at home.

A Comprehensive Strategy

At Union Gas our goal is zero injuries for our employees and contractors. In early 2008 Union Gas developed a multi-year Safety Strategy which includes a number of focus areas: positive safety culture; workplace observation; incident learning and prevention; employee safety leadership; process safety; and health and wellness.

One of the cornerstones of our Strategy is to ensure that safety is top of mind 24 hours each day, 7 days each week – at work and at home. For the third year running, all employees in the organization participated in "Stand Up for Safety". This event provides a forum for discussing safety and sharing individual experiences between employees.

In early 2008, we rolled out Mission Possible @ Work driver training. This 18-module course combining prepared material, videos and interactive group discussion focuses on engaging all Union Gas employees in driving safety and awareness, even if driving is not a job requirement. These are only two of the many initiatives that focus on re-enforcing our 24/7 safety culture.





Key to developing and sustaining a zero-incident culture are our two new Programs; Workplace Observation and Incident Learning and Prevention. Identifying unsafe conditions and acts prior to them causing incidents, and then investigating and learning from incidents (with or without loss) are critical components of the move towards excellence in safety leadership.

We are also working on developing safety leadership throughout the organization. By supporting our Joint Health and Safety Committees across the Company, we are empowering them to improve the health and safety of their individual workplaces. Some of the areas of focus include the exchange of best practices among committees, understanding incident investigations & risk analysis, and improving the quality of workplace inspections.

Finally, we are developing programs to encourage the improvement of the physical and mental health of our employees. Recent programs include education on healthy eating, wellness clinics where employees can have blood pressure tested and cholesterol levels checked, and a year-round flexible work schedule aimed at giving employees greater control over their work-life balance.

At Union Gas, we are continually striving to be a leader in safety. We believe that by concentrating on specific objectives beyond regulatory and legislative compliance, we will make great strides in advancing our safety culture at every level of the organization.