



**uniongas**

A Spectra Energy Company



April 11, 2008

**Re: Union Gas Limited Binding Firm Transportation Open Season (November 1, 2008)**

In response to continuing customer interest in Dawn to Parkway or Kirkwall capacity, Union Gas Limited ("Union") invites your company to submit binding bids for transportation service commencing November 1, 2008. This Open Season will be for Firm Transportation Service between Dawn and Parkway or Kirkwall.

Union has up to 50,000 GJ/d of existing firm Dawn to Parkway or Kirkwall capacity available for this open season. Shippers may request a service for the winter only, or for longer periods of time.

Union will evaluate all binding bids using the product of rate and term (years) (the "Value"), with bids resulting in the highest overall total Value having the highest priority. For purposes of bid evaluation, Union will consider the tolls for Dawn to Parkway and Dawn to Kirkwall to be equal. If two or more successful bids have an equivalent Value, and insufficient capacity exists to satisfy all such bids with an equivalent Value, the capacity allocated to such bids will be prorated. All offers received will be deemed to be for "any quantities available" to a maximum of the quantity indicated by Shipper.

**Firm Transportation Service Parameters**

- Receipt point will be Dawn
- Delivery point will be Parkway or Kirkwall
- Term of contract will be as submitted by Shipper, with service commencing November 1, 2008
- Shippers may elect to specify a specific bid price for the term of the agreement (eg 1 year, 08/09 winter only), or elect to pay the prevailing M12 Dawn to Parkway or Kirkwall tolls (for periods of 1 year or longer).
  - If Shipper elects to specify a bid price, the fuel shall be as per Union's C1 Rate schedule which is subject to revision from time to time. A copy of this rate schedule is available at [www.uniongas.com/aboutus/regulatory/rates/ratesindex.asp](http://www.uniongas.com/aboutus/regulatory/rates/ratesindex.asp)
  - If Shipper elects to pay the prevailing M12 Dawn to Parkway or Kirkwall tolls, the fuel shall be as per Union's M12 Rate schedule which is subject to revision from time to time. A copy of this rate schedule is available at [www.uniongas.com/aboutus/regulatory/rates/ratesindex.asp](http://www.uniongas.com/aboutus/regulatory/rates/ratesindex.asp)
- Successful bidders will execute Union's standard Firm Transportation Service Agreement available at [www.uniongas.com/openseason](http://www.uniongas.com/openseason) (the "Agreement") (modified as required to reflect accepted bids)
- Payment to Union will be in accordance with the terms and conditions of the Agreement



**Submitting a Binding Bid for Firm Transportation Service**

If you wish to participate in this Open Season, please sign and return the attached Firm Transportation Bid Form by fax to (519) 436-4643, Attention: S&T Marketer Services on or before 12:00 noon Eastern Time / 11:00 am Central Time on April 15, 2008. Union will notify Shippers of the actual quantity awarded by verbal notice on or before 5:00 pm Eastern Time / 4:00 pm Central Time on April 15, 2008, subject to appropriate credit review.

Union has the right to reject any and all bids, in its sole discretion. Without limiting the foregoing, Union may, but is not required to, reject any bids which do not conform to this Open Season, are incomplete with the terms and conditions outlined in this Open Season, contain additional or modified terms, or are otherwise deficient in any respect.

By participating in the Open Season, Shipper further agrees to the terms and conditions set out in the attached Firm Transportation Bid Form.

If you have any questions regarding this Open Season, please feel free to contact your Account Manager:

*Union Gas Limited, A Spectra Energy Company, Storage & Transportation Sales*

Carol Cameron	(519) 436-5258
Paolo Mastronardi	(519) 436-5264
Jacque Montgomery	(519) 436-5452
Anne Moore	(713) 627-4555
Leah Moss	(713) 627-5054
Wayne Passmore	(519) 436-5356
Steven Tramonte	(713) 627-4411



**Firm Transportation Bid Form**

If you wish to participate in this Open Season, please complete, sign, and return this Bid Form to:

Fax: (519) 436-4643  
Attention: **MARKETER SERVICES, Union Gas Limited, A Spectra Energy Company**

**This is a binding bid.** By participating in this Open Season, subject to Union's acceptance and notification of quantities allocated to Shipper, Shipper hereby irrevocably commits to enter into the Firm Transportation Service Agreement for Firm Transportation Service (found at [www.uniongas.com/openseason](http://www.uniongas.com/openseason)) with Union on the price and capacity as outlined below. If this does not occur within 30 days of delivery by Union of written notice to Shipper, Union may, in its sole discretion, elect by written notice to Shipper within 15 days thereafter, to either terminate Shipper's participation in this Open Season, or treat Shipper's signature and return of this Firm Transportation Bid Form together with the Firm Transportation Agreement as a legally binding agreement (modified as applicable by Union's notification of the quantities allocated to Shipper) for the Firm Transportation Service outlined below.

**Firm Transportation Service:**

1. End Date \_\_\_\_\_
2. Delivery Point (circle one)      Parkway      or      Kirkwall
3. Quantity \_\_\_\_\_ GJ/d
4. Rate (choose one):

Bid price = \_\_\_\_\_ \$Cdn/GJ/d + applicable C1 transportation fuel

M12 toll (currently \$2.354 Cdn/GJ/d per month for Dawn to Parkway and \$2.004 Cdn/GJ/d per month for Dawn to Kirkwall) + applicable M12 transportation fuel

\_\_\_\_\_  
Shipper's Corporate Name

\_\_\_\_\_  
Phone

\_\_\_\_\_  
per

\_\_\_\_\_  
Fax

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date