



uniongas

A Spectra Energy Company

July 4, 2008

Re: Union Gas Binding Open Season – Short Term Peak Storage and Additional Firm Injections and Withdrawals

Union Gas Limited (“Union”), a Spectra Energy Company hereby invites your company to submit a binding bid for Dawn storage for an 8 or 20 month term, commencing August 1, 2008. All bids are due on or before 11:30 am Eastern Time / 10:30 am Central Time on July 23, 2008.

Short Term Peak Storage – August 1, 2008 to March 31, 2009 or March 31, 2010

- All offers are 100% take-or-pay and will be billed monthly pro-rata over an 8 or 20 month period beginning with August 2008. Bids submitted must be in USD/MMBtu/**month**.
- The first storage cycle is complete when the cumulative quantity of all injections and all withdrawals equals two (2) times the contracted Maximum Storage Balance (MSB). “Maximum Storage Balance” shall mean the maximum quantity of storage space available for Shipper’s utilization.
- After the first storage cycle each year, (to be reset on April 1) injections into storage by Shipper and withdrawals from storage to Shipper will each be at a rate of \$0.05 CDN/GJ.
- Injections:
5% of MSB daily on an interruptible basis.
- Withdrawals:
Shipper is entitled to firm withdrawals in all months except March and April at the rate of 1.2% daily, regardless of balance level at or above zero; 3.8% of MSB daily on an interruptible basis. Interruptible withdrawal period will commence March 1 through April 30 at the rate of 5% of MSB daily.
- Withdrawals in excess of firm entitlement may be scheduled at Union’s sole discretion.
- 0% fuel on receipts and deliveries and no commodity charges, with the exception of the cycling charge described above.
- Delivery and Receipt points shall be Dawn.
- All terms and conditions set out in Union’s Enhanced Parking Service Agreement, including payment options will be applicable and can be viewed on the Union website (found at www.uniongas.com/openseason).

Additional Firm Injections and/or Withdrawals (the “Additional Firm Service”)

In addition to the above, Union invites your bid for firm injections and withdrawals in excess of the parameters outlined above, from August 1, 2008 through March 31, 2010. The bid for the Additional Firm Service shall be expressed as \$US/MMBtu/**month** per MMBtu of storage space. This additional firm quantity may be awarded to customer(s) who are awarded storage space in this open season. Bids for Additional Firm Service must be consistent with the term requested on the Peak Storage Bid Form.

Submitting Bids and Awarding of Service

All bids are due on or before 11:30 am Eastern Time / 10:30 am Central Time on July 23, 2008. Union expects to award capacity on or before 5:00 pm Eastern Time / 4:00 pm Central Time on July 24, 2008.

Please provide your binding bid(s) under the above terms and conditions by signing and returning the enclosed Peak Storage Bid Form indicating the Price (\$US/MMBtu/month of MSB), Term (8 months or 20 months) and Maximum Storage Balance (MSB) desired.

Union reserves the right to make the offer conditional upon receiving reasonable financial assurances for the obligations pursuant to this offer, if deemed necessary.

Each bid will be evaluated separately. 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.

Union reserves the right to reject any and all bids at its sole discretion. Without limiting the foregoing, Union may, but is not required to, reject any bids which do not conform to the 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.

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

Jacque Montgomery	(519) 436-5452
Paolo Mastronardi	(519) 436-5264
Leah Moss	(713) 627-5054
Steven Tramonte	(713) 627-4411
Anne Moore	(713) 627-4555



Peak Storage Bid Form

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 Enhanced Parking Service Agreement for Firm Storage Service (found at www.uniongas.com/openseason) (the “EPSA”) with Union on the price, term and capacity as outlined below. If Shipper does not enter into the EPSA 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 its provision of Firm Storage Services to Shipper, or treat Shipper’s signature and return of this Peak Storage Bid Form together with the EPSA as the legally binding agreement (modified as applicable by Union’s notification of the quantities allocated to Shipper) between Shipper and Union for the Firm Storage Services outlined below. Shipper acknowledges and agrees that any Firm Storage Services provided by Union prior to execution by Shipper of the EPSA shall be subject to the terms and conditions set forth in this Peak Storage Bid Form and the EPSA. In the event of any inconsistency or conflict between the terms and conditions of this Peak Storage Bid Form and the EPSA, this Peak Storage Bid Form shall prevail to the extent of any inconsistency.

If you wish to participate in this Open Season, please complete, sign and return this Peak Storage Bid Form on or before 11:30 am Eastern Time / 10:30 am Central Time on July 23, 2008.

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

All bids must be made in U.S. Dollars.

Price (\$USD/MMBtu/month)	# of months (8 or 20)	MSB (MMBtu)
_____	_____	_____

Please indicate the maximum cumulative storage quantity that shipper is willing to contract for:
_____ MMBtu

_____	_____
Shipper’s Corporate Name	Phone

_____	_____
per	Fax

Print Name

Date



Additional Firm Service Bid Form

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 Enhanced Parking Service Agreement for Firm Storage Service (found at www.uniongas.com/openseason) (the “EPSA”) with Union on the price, term and capacity as outlined below. If Shipper does not enter into the EPSA 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 its provision of Firm Storage Services to Shipper, or treat Shipper’s signature and return of this Peak Storage Bid Form together with the EPSA as the legally binding agreement (modified as applicable by Union’s notification of the quantities allocated to Shipper) between Shipper and Union for the Firm Storage Services outlined below. Shipper acknowledges and agrees that any Firm Storage Services provided by Union prior to execution by Shipper of the EPSA shall be subject to the terms and conditions set forth in this Peak Storage Bid Form and the EPSA. In the event of any inconsistency or conflict between the terms and conditions of this Peak Storage Bid Form and the EPSA, this Peak Storage Bid Form shall prevail to the extent of any inconsistency.

If you wish to participate in this Open Season, please complete, sign and return this Additional Firm Service Bid Form on or before 11:30 am Eastern Time / 10:30 am Central Time on July 23, 2008.

Fax: (713) 436-4643,
Attention: **MARKETER SERVICES, Union Gas Limited a Spectra Energy Company.**

Please complete the following section if Shipper is requesting additional firm injections or withdrawals

Additional Firm Service

Price (\$USD/MMBtu/MSB/month) _____

Firm Withdrawal Quantity (MMBtu/day) _____

Please specify month(s) of firm withdrawals _____

Firm Injection Quantity (MMBtu/day) _____

Please specify month(s) of firm injections _____

Shipper’s Corporate Name

Phone

per

Fax

Print Name

Date