



March 07, 2008

Re: Union Gas Limited Binding Short Term Firm Transportation Open Season

In response to continuing interest in our upstream transportation assets Union Gas Limited ("Union") is pleased to offer an open season for Short Term Firm Transportation service commencing April 1, 2008 to March 31, 2009; on the following paths:

- Bluewater ("Bluewater") to Dawn
- St. Clair-MichCon ("St. Clair") to Dawn
- Ojibway (our interconnect with PEPL) ("Ojibway") to Dawn

Union invites your company to submit binding bids for short term firm transportation on one or more of the above-mentioned transportation paths for service commencing as early as April 1, 2008.

Union's standard Enhanced Short Term Firm Transportation contract ("the contract") is available at www.uniongas.com/openseason.

Firm Transportation Service Parameters

- Receipt point will be St. Clair or Bluewater or Ojibway.
- Delivery point will be Dawn.
- Term of contract (3 options):
 - 1 year service commencing April 1, 2008; terminating March 31, 2009
 - Summer Service commencing April 1, 2008; terminating October 31, 2008
 - Winter Service commencing November 1, 2008; terminating March 31, 2009
- No fuel or commodity charges apply. Shippers will bid a daily demand charge for service.
- Payment to Union will be in accordance with the terms of the contract.
- Shippers may bid on multiple transportation paths. In the event that bid quantities exceed available capacity, quantities will be allocated according to price and term.
- This open season is in accordance with Union's C1 Transportation rate schedule. Please visit <http://www.uniongas.com/aboutus/regulatory/rates/ratesindex.asp>.

Submitting a Binding Bid for Firm Transportation Service

If you wish to participate in this Open Season, please sign and return the attached C1 Short Term 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 March 19, 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 March 19, 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 set out in the attached C1 Short Term 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

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



C1 Short Term 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 Enhanced Short Term Firm Transportation Service Agreement for C1 Short Term Firm Transportation Service (found at www.uniongas.com/openseason) with Union on the price and capacity as outlined below. If said event 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 the C1 Short Term Firm Transportation Bid Form together with the Enhanced Short Term Firm Transportation Agreement as the legally binding agreement (modified as applicable by Union's notification of the quantities allocated to Shipper) for said event that has not yet occurred.

Firm Transportation Service Parameters:

<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Term</u>	<u>Quantity GJ's/Day</u>	<u>Demand Price CDN\$/GJ/Day</u>
St. Clair (MichCon)	Dawn	1 Year (Apr. 1, 08 to Mar. 31, 09)	_____	_____
St. Clair (MichCon)	Dawn	Summer Strip (Apr. 1 to Oct. 31, 08)	_____	_____
St. Clair (MichCon)	Dawn	Winter Strip (Nov. 1, 08 to Mar. 31, 09)	_____	_____
Bluewater	Dawn	1 Year (Apr. 1, 08 to Mar. 31, 09)	_____	_____
Bluewater	Dawn	Summer Strip (Apr. 1 to Oct. 31, 08)	_____	_____
Bluewater	Dawn	Winter Strip (Nov. 1, 08 to Mar. 31, 09)	_____	_____
Ojibway	Dawn	1 Year (Apr. 1, 08 to Mar. 31, 09)	_____	_____
Ojibway	Dawn	Summer Strip (Apr. 1 to Oct. 31, 08)	_____	_____
Ojibway	Dawn	Winter Strip (Nov. 1, 08 to Mar. 31, 09)	_____	_____

Shipper's Corporate Name

Phone

per

Fax

Print Name

Date