



uniongas

A Spectra Energy Company

March 13, 2009

Union Gas Limited Binding Open Season – Peak and Off-Peak Storage – Invitation to Bid

Union Gas Limited (“**Union**”), a Spectra Energy Company hereby invites all existing and potential Shippers to submit binding bids for Dawn storage starting April 1, 2009. All bids are due on or before 11:30 am Eastern Time / 10:30 am Central Time on March 25, 2009.

Interested parties have the opportunity to submit bids for two service options:

1. Peak Storage – a firm seasonal storage service, with a term of 1 to 10 years
2. Off Peak storage – an interruptible summer storage service, with an expiry date of August 31, 2009

Union expects to award capacity on or before 3:00 pm Eastern Time / 2:00 pm Central Time on March 25, 2009. Union reserves the right to reject any and all bids at its sole discretion.

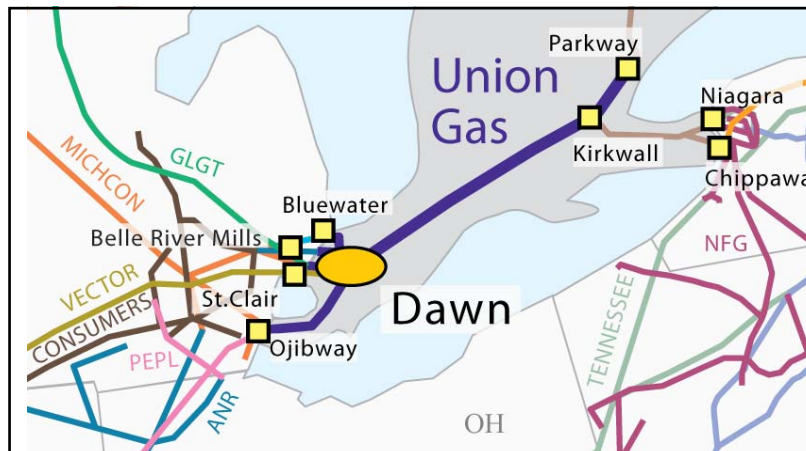
If you have any questions regarding this Open Season, please feel free to contact your Account Manager:

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

| | | |
|-------------------|----------------|--|
| Jacque Montgomery | (519) 436-5452 | jmontgomery@spectraenergy.com |
| Paolo Mastronardi | (519) 436-5264 | pmastronardi@spectraenergy.com |
| Leah Moss | (713) 627-5054 | LAMoss@spectraenergy.com |
| Steven Tramonte | (713) 627-4411 | SGTramonte@spectraenergy.com |
| Anne Moore | (713) 627-4555 | anmoore@spectraenergy.com |

The Union Gas Dawn Market Hub is one of the fastest growing market hubs in North America. Union owns and operates over 150 Bcf of storage at Dawn Hub. The hub has the largest underground natural gas storage facility in Canada and handles over 1.3 Tcf of gas every year. Storage and transmission facilities at the Dawn Market Hub are fully integrated into the North American supply and transportation system providing our customers with price stability and significant supply options.

More information about Union is available at www.uniongas.com
More information on Spectra Energy is available at www.spectraenergy.com





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Service Parameters – Peak Storage

- All contracts awarded will be 100% “take-or-pay” and will be billed monthly, prorated over the term of the contract.
- Injections:
 - 5% of MSB daily on an interruptible basis.
- Withdrawals:
 - Firm withdrawals in all months except March and April at the rate of 1.2% of MSB daily, regardless of balance level at or above zero; plus 3.8% of MSB daily on an interruptible basis.
 - Interruptible withdrawal period from March 1 through April 30 at the rate of 5% of MSB daily.
- Receipt and Delivery points shall be Dawn.
- Term: Minimum of 1 year Maximum of 10 years.
- 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 (also referred to as 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.
- No commodity charge and 0% fuel on receipts and deliveries, with the exception of the cycling charge described above.
- All terms and conditions set out in Union’s Peak Storage Contract, including payment options, will be applicable and can be viewed on the Union website at www.uniongas.com/openseason.

Service Parameters – Off Peak Storage

- All contracts awarded will be 100% “take-or-pay” and will be billed monthly prorated over the term of the contract.
- Injections:
 - 5% of MSB daily on an interruptible basis.
- Withdrawals:
 - 5% of MSB daily on an interruptible basis.
- Receipt and Delivery points shall be Dawn.
- Term: April 1, 2009 to August 31, 2009
- 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 (also referred to as MSB). **“Maximum Storage Balance”** shall mean the maximum quantity of storage space available for Shipper’s utilization.

- After the first storage cycle, injections into storage by Shipper and withdrawals from storage to Shipper will each be at a rate of \$0.024 CDN/GJ.
- No commodity charge and 0% fuel on receipts and deliveries, with the exception of the cycling charge described above.
- All terms and conditions set out in Union's Off - Peak Storage Contract, including payment options, will be applicable and can be viewed on the Union website at www.uniongas.com/openseason.

Submitting Bids and Awarding of Service

All bids are due on or before 11:30 am Eastern Time / 10:30 am Central Time on March 25, 2009. Union expects to award capacity on or before 3:00 pm Eastern Time / 2:00 pm Central Time on March 25, 2009.

Please provide Shipper's binding bid under the above terms and conditions by signing and returning the enclosed Peak/Off - Peak Storage Bid Form indicating the Price (\$US/MMBtu/year of MSB), Maximum Storage Balance (MSB) desired and Term.

Union reserves the right to make acceptance of any binding bid conditional upon receiving reasonable financial assurances for the obligations pursuant to this Open Season, if deemed necessary.

Union reserves the right to make its acceptance of any bid conditional upon satisfaction or waiver of conditions precedent set out in the standard Storage Contract, as applicable.

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.



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Peak/Off - Peak Storage Bid Form

Please complete, sign and return this Peak/Off - Peak Storage Bid Form on or before 11:30 am Eastern Time / 10:30 am Central Time on March 25, 2009.

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

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

Peak Storage Bid

Price (\$USD/MMBtu/per year of MSB) _____
MSB (MMBtu) _____
Start Date: 01-Apr-09
Term _____ (Min. 1 year to Max.10 year)

Off-Peak Storage Bid

Price (\$USD/MMBtu/per year of MSB) _____
MSB (MMBtu) _____
Start Date: 01-Apr-09
End Date: 31-Aug-09

Shipper's Full Legal Name Phone

Signed: Fax

Print Name Date

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 execute the Peak Storage Contract or Off – Peak Storage Contract (found at www.uniongas.com/openseason) with Union on the price, term and capacity as outlined above. If the above 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 this Peak/Off - Peak Storage Bid Form together with the Peak Storage Contract or Off Peak Storage Contract as the legally binding agreement (modified as applicable by Union's notification of the quantities allocated to Shipper) between Shipper and Union. Shipper acknowledges and agrees that any storage service provided by Union prior to execution by Shipper of the Peak Storage Contract or Off-Peak Storage Contract shall be subject to the terms and conditions set forth in this Peak/Off-Peak Storage Bid Form and the Peak Storage Contract or the Off - Peak Storage Contract. In the event of any inconsistency or conflict between the terms and conditions of this Peak/Off Peak Storage Bid Form and the Peak Storage Contract or Off-Peak Storage Contract, this Peak/Off - Peak Storage Bid Form shall prevail to the extent of any inconsistency.