



uniongas

A Spectra Energy Company

Focus Group Meeting

February 4th, 2009





Agenda

- 1) Project Updates
 - Dawn to Parkway
 - Storage
 - Dawn Gateway
- 2) Storage and Transportation Business Update
 - Staffing
 - Marketing
 - New Services
- 3) Unionline Enhancements
- 4) Mastio Survey
 - Survey Results
 - Actions
- 5) Dawn Monthly Index
- 6) Operational Update
- 7) Round Table Discussion



Update – Dawn to Parkway

- 2006 – 2008 - three expansions added over 1.2 Bcf/d of Dawn to Parkway Capacity
 - Represents 24% capacity increase
- Next Expansion
 - Open Season closed for 2010
 - Internal review underway
 - Requires downstream TCPL expansion
- Continuing to see interest in long term Dawn to Parkway Asset
 - Access to supplies at Dawn
 - Stable demand charges
 - Low fixed costs
 - Projected Ontario Power Plant expansions (2011-2013)

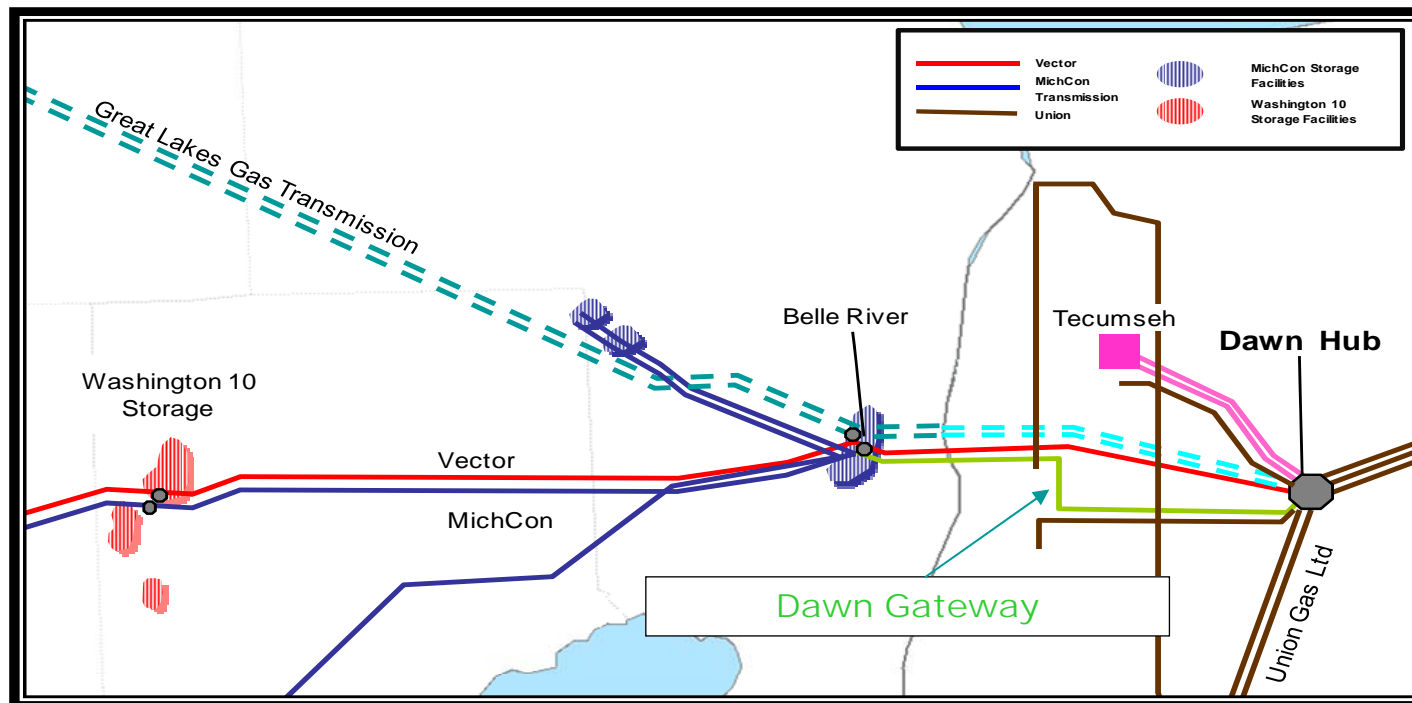


Update – Storage

- In 2008, added 0.5 Bcf/d of deliverability or an increase from 2.2 Bcf/d to 2.7 Bcf/d
- Also added 1.33 bcf/d dehy capacity and can now dehy over 5 bcf/d
- Tipperary Storage Pool (3 Bcf) 75% ownership
- Union's Heritage Pool (0.9 Bcf) filed with OEB for approval, expect a Jul 2009 in-service date
- Sarnia Airport Storage Pool Partnership (Spectra affiliate MHP 50% and AltaGas 50%) expect a summer 2009 in-service for the 5.2 Bcf Airport pool



Dawn Gateway



DAWN GATEWAY Pipeline

- DTE Energy/Spectra Energy partnership
- High pressure 24" pipeline
- Targeted In service November 1, 2010
- Initial capacity of ~360,000 Dth/d –Open Season Q4, 2008
- OEB filing in Dec08
- Sale of St. Clair line
- Next Steps:
 - Customer PA's being signed
 - Regulatory filings and Engineering
 - Capacity can be expanded with compression





S&T Business Updates

- Additional Resources
 - Two new S&T sales roles added January 1, 2008
 - Paolo Mastronardi
 - Jacquie Montgomery
 - 1 new Volume Planner
 - 1 new Gas Controller
 - 2 new GMS – (nominations)
 - 1 Contract Administration
- Marketing
 - More transactional S&T Services
 - Better Customer Service
 - Better back office support



S&T Business Update

- New Services Implemented

- High Deliverability Storage
- F24-S
- F24-T

Mix of Power Generators, Marketer/Producers, LDC's

- New Services Coming

- 6 Turn Firm
- Dawn Monthly Index
- Customer Requirements/Interest
- Let us know what you want



Unionline Update

- 2007 Unionline Survey for Union Gas
- Issues Raised
 - Add more information and transaction functions
 - Improve System Performance
 - Better Navigation and ease of use
 - Better Training and Support



Unionline Enhancements

- Actions for Improvements
 - Increased the number of S&T reports available to 12 months
 - Electronic contracting (E-Contracting) allows customers to enter into contracts online
 - Customers can now see all their contracts electronically
 - Re-engineered the Nominations/Measurement section of Unionline to improve overall performance
 - Allow customers to create a “favourites” section on the navigation bar
 - Increased the number of classroom and one on one sessions with customers when we introduce new services. Had training sessions in Calgary/Toronto and individual sessions for those who were unable to attend the larger meeting in June.

[Expand All](#) | [Collapse All](#)

Home

- Contracts
 - Contract Detail
 - Contract Accept
- Transactions
- Reports
- Self Service
- Unionline Support
 - Message Board
 - User Manual
 - FAQ
 - Energy Toolbox
 - Enhancements
 - Performance
 - Contact Us

Contract Detail

All Active

[Collapse All](#)

Contract ID	Amend.#	Contract Name	Contract Holder	Contract Type	Start Date	End Date	Effective Date	Status
SA9494	0	E CON TEST-BT	Unionline Energy Company	BT	Apr 01, 2009	Apr 01, 2010	Apr 01, 2009	Executed
SA9422	0	HUB807	Unionline Energy Company	HUB	Jan 01, 2009	Evergreen	Jan 01, 2009	Executed

Summary	Contact Information	Address Information	Service Parameters	Confirmations	Notes
---------	---------------------	---------------------	--------------------	---------------	-------

ID	Contract Name	Status	Start Date	End Date	Service	Receipt Point	Delivery Point	Quantity (GJ/day)	Converted Quantity (MMBTU/day)	Commodity Price \$/GJ	Converted Price (\$/MMBTU)	Demand Charge	Currency	CSF
SA9529	HUB807B00001	Awaiting Customer Acceptance	Jan 01, 2009	Jan 31, 2009	Exchange	Dawn	Parkway	10,000	9,478	0.0420	0.0443	.00	USD	N

[Printable Version](#)

SA9423	0	HUB807E01	Unionline Energy Company	TRANSPORT	Dec 01, 2008	Dec 31, 2008	Dec 01, 2008	Pending
--------	---	-----------	--------------------------	-----------	--------------	--------------	--------------	---------

View Summary, check and update contact information and view the service parameters

View full contract as it was executed

Also available: View Invoices online and view reports detailing your company's activity under all your contracts



Mastio Survey

- Union Participated in Fall 2007
- Ranked 22nd overall in Shipper satisfaction (52 pipeline rated)
- Scored Poorly on a number of important categories
 - Union Initiated Communication
 - Effective After hours support
 - Accurate operational Information
 - Online transactional training
 - Management of pipeline initiated restrictions

Customer comments: “Union doesn’t initiate business like they used to” and “They are non-responsive to market conditions”



Union's Plan of Action

- To improve communication with our customers
 - Have added 2 S&T Sales Reps (Jacquie and Paolo)
 - Improve the S&T section of our website
 - Develop/Publish a newsletter
 - Improve web-based training for Unionline – Work in June 2008 was a good start
 - Joint S&T/BD meetings going forward
 - Spring/Fall meetings with additional operational focus
- Management of Restrictions
 - Developing a standardized email tool that will be used to communicate time-sensitive information
 - Open Seasons, system restrictions, rate changes, etc.
- Effective After-hours support
 - Added staff to nominations group
 - Cross training of Gas controllers



Dawn Monthly Index (DMI) -Background

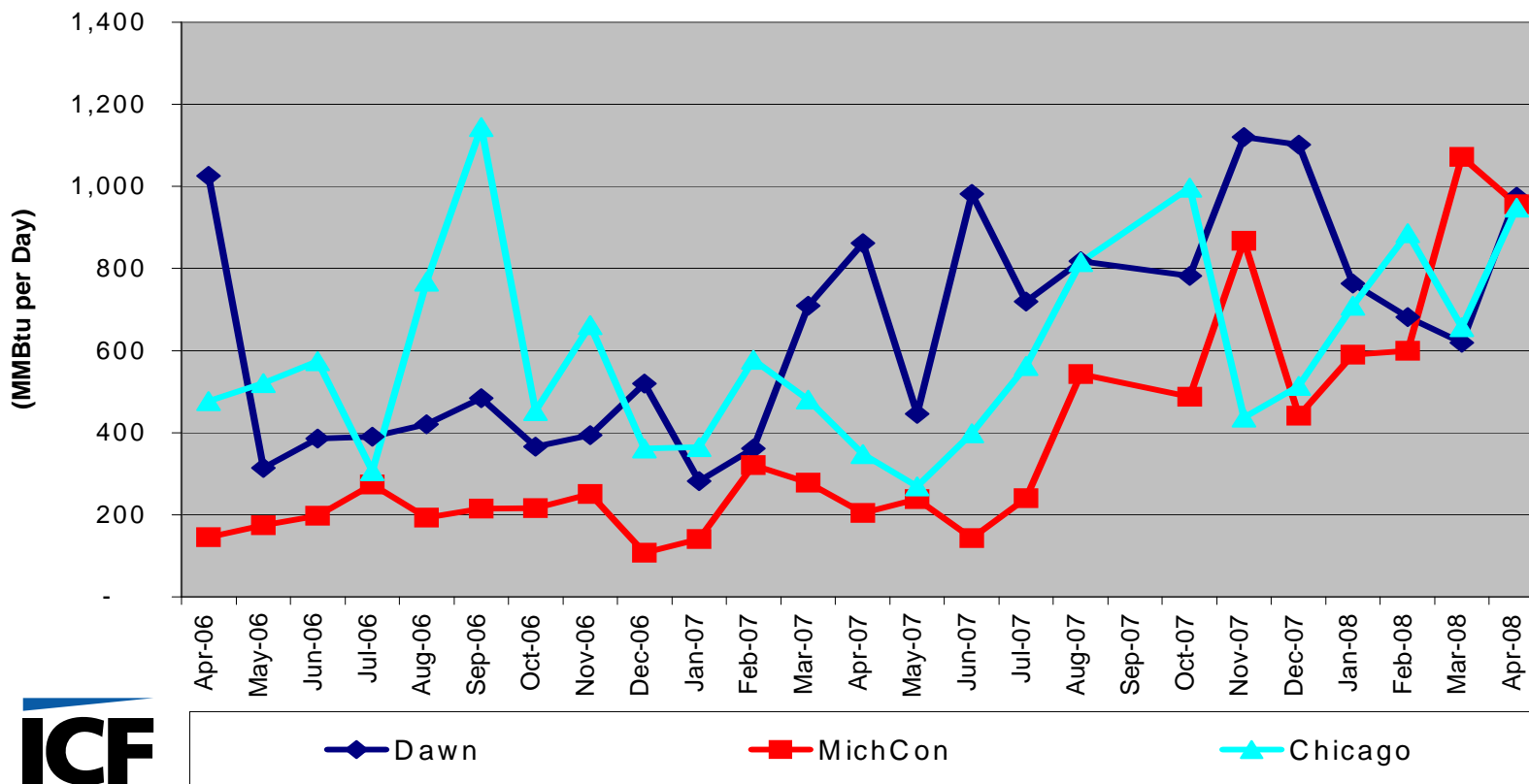
- Customers at Dawn purchase base load gas primarily using:
 - Basis (NYMEX based Pricing), Fixed Price, Daily Pricing
- Some gas purchasers prefer to use monthly index to buy gas
 - Some have historically chosen to purchase their monthly index supply at other locations where there has been more actively traded index markets
- Platt's First of Month number used by market participants
- Index is currently thinly traded

Union wants to attract as many customers as possible to the Dawn Hub – Dawn Monthly Index helps make Dawn more attractive for a greater number of customers



Volumes Forming the Index

Bidweek Transactions Volumes



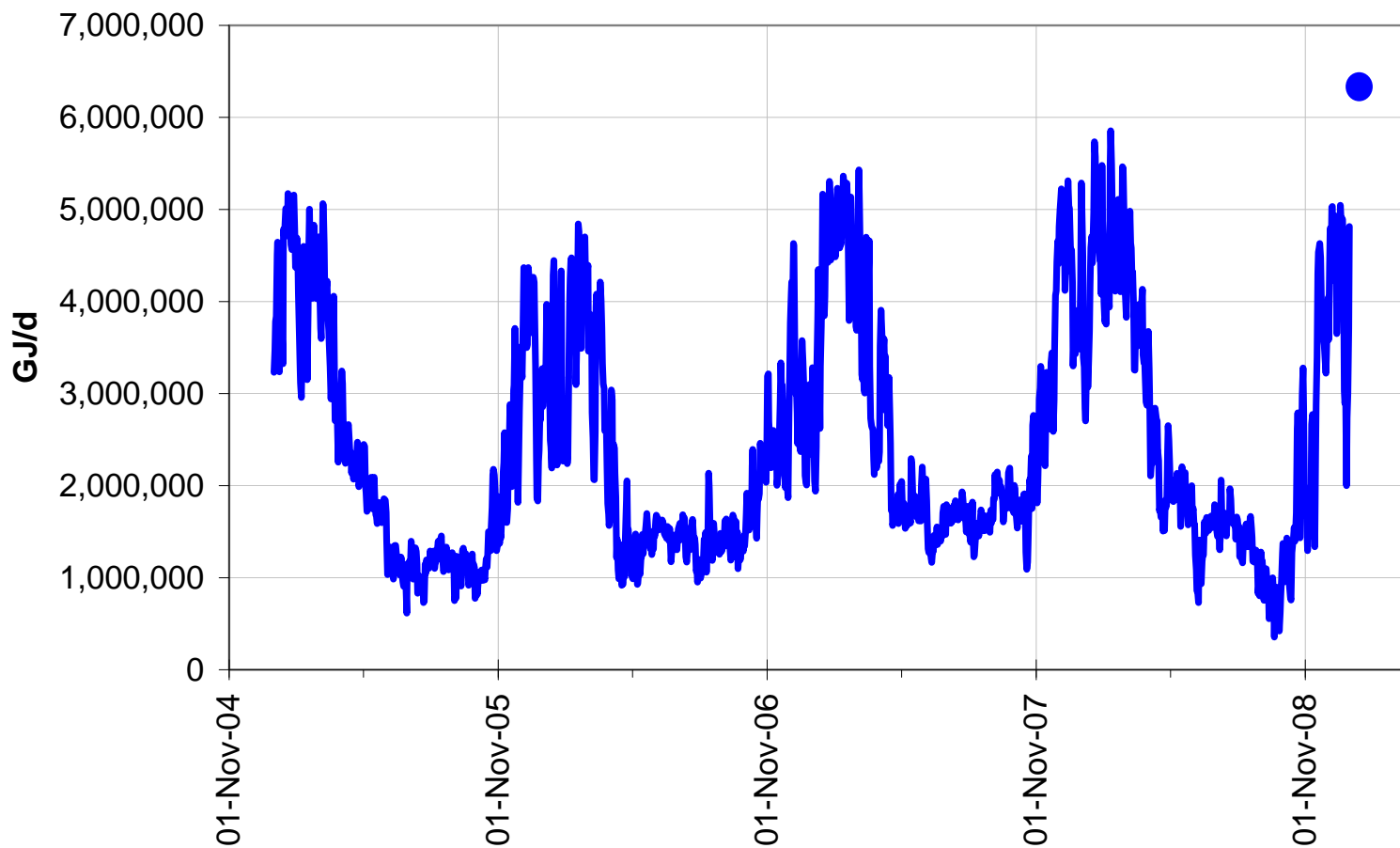
Passion. Expertise. Results.

Dawn bid week monthly trading on ICE has averaged over 30 unique counterparties since May 2008



Operational Update

Physical Sendout at Dawn





Other items

- Round Table



Union Gas Contacts

For more information please contact:

Steve Baker – Vice President, Business Development

519-436-5216 sbaker@spectraenergy.com

Mark Isherwood – Director, Business Development

519-436-4527 misherwood@spectraenergy.com

Wayne Passmore – Account Manager, Business Development

519-436-5356 wpassmore@uniongas.com

Carol Cameron - – Account Manager, Business Development

519-436-5258 ccameron@uniongas.com

Jacque Montgomery - Account Manager, Storage and Transportation

519-436-5452 jmontgomery@spectraenergy.com

Paolo Mastronardi - Account Manager, Storage and Transportation

519-436-5264 pmastronardi@spectraenergy.com

This presentation will be posted on www.uniongas.com