

[Month day, year]

[SHIPPER NAME]

[Shipper Address Line 1]

[Shipper Address Line 2]

[Shipper Address Line 3]

[Shipper Address Line 4]

Attention: [Shipper Rep]

Re: Union Gas Limited HUB [REDACTED] Contract Enhanced Balancing Service Agreement (HUB [REDACTED] P – SA [REDACTED])

This Enhanced Balancing Service Agreement confirms the existence of an Interruptible Service Hub Contract (HUB [REDACTED]) (the “Contract”) between [SHIPPER NAME] (“Shipper”) and Union Gas Limited (“Union”). In addition to the terms and conditions of the Contract, Shipper has requested and Union has agreed to provide an additional “Enhanced Balancing Service”. All basic terms and conditions of the Contract shall be applicable to this Enhanced Balancing Service, and during the term of this Enhanced Balancing Service Agreement, the Contract may not be terminated by Shipper or Union, except as defined in the Default and Termination section of the General Terms & Conditions. In the event of any other discrepancy or conflict in the terms and conditions between the Contract and this Enhanced Balancing Service Agreement, the terms and conditions of this Enhanced Balancing Service Agreement shall supersede and take precedence over the Contract. This Enhanced Balancing Service Agreement shall provide for the following:

1. Union shall provide Shipper an Enhanced Balancing Service (the “HubPlus Service”) at all points outlined in Schedule “A” of Union’s Interruptible Service Hub Contract. This HubPlus Service will commence on [Month day, year] and shall continue in full force and effect on a month to month basis, subject to notice of termination being given by either party to the other at least one calendar month in advance.
2. Shipper may have a maximum credit or parking balance (“Maximum Parked Balance”) such that the Maximum Parked Balance does not exceed 100,000 GJ (94,782 MMBtu).
3. Shipper may have a maximum debit or loan balance (“Maximum Loan Balance”) such that the Maximum Loan Balance does not exceed [REDACTED] GJ (0 MMBtu), or such other lesser amount which is dependent upon credit.
4. Shipper agrees that the Maximum Parked Balance under this HubPlus Service must be zero (0) on August 31, [year] and on August 31 of each subsequent year. Should Shipper fail to comply with this requirement, any balance remaining will be removed immediately from this Enhanced Balancing Service Agreement and transferred to another market based service contract, to be negotiated between Union and Shipper. Failing that, Union may, upon forty-eight (48) hours verbal notice to Shipper (to be followed in writing), take possession of Shipper’s parked gas (which shall be immediately forfeited to Union without further recourse).

5. Shipper agrees that the Maximum Loan Balance under this HubPlus Service must be zero (0) on August 31, [year] and on August 31 of each subsequent year. Should Shipper fail to comply with this requirement, any balance owing will be removed immediately from this Enhanced Balancing Service Agreement and transferred to another market based service contract, to be negotiated between Union and Shipper. Failing that, Union shall charge Shipper \$1.0000000/GJ (\$1.0550560/MMBtu) times the quantity of gas not repaid ("Shortfall"), and shall charge an additional \$0.1000000/GJ (\$0.1055056/MMBtu) for every day that the Shortfall exists until all such quantities are repaid. In addition, should Union chose to replace such Shortfall, Shipper agrees to pay Union's costs, if any, to replace such gas, which shall include all costs related to replacing such gas, plus a charge equal to 25% of the incremental costs of the gas purchased for each unit so replaced.
6. At any time throughout the term of this HubPlus Service, Union, at its sole discretion, with five (5) calendar days notice to Shipper, may require Shipper to take action to bring balance to zero (0) by the end of a subsequent five (5) calendar day period.
7. Shipper agrees to pay Union for this HubPlus Service a rate equal to \$0.1500000 Cdn/GJ (\$0.1582584 Cdn/MMBtu) for all quantities received by Union, and a rate equal to \$0.1500000 Cdn/GJ (\$0.1582584 Cdn/MMBtu) for all quantities delivered to Shipper. The \$0.1500000 Cdn/GJ rate is in effect until August 31, [year]. Union has the right to change the rate effective September 1, [year] and September 1 of each subsequent year, and will post the updated rate on its website prior to August 1st.
8. This Enhanced Balancing Service Agreement will take effect immediately.

Please acknowledge your agreement to the above terms and conditions by signing and returning both copies of this Enhanced Balancing Service Agreement to **Union Gas Limited, 50 Keil Drive North, P.O. Box 2001, Chatham, ON, N7M 5M1, Attention: S&T Contracting** for execution by Union, whereby this shall then constitute a binding Agreement as between the parties.

Yours very truly,

[redacted] (519) 436-[redacted]
Account Manager, Union Gas Limited

Acknowledged and Accepted
This [redacted] day of [Month, year]

[SHIPPER]
Authorized Signatory

UNION GAS LIMITED
Authorized Signatory