

ENBRIDGE GAS INC.  
UNION SOUTH  
FIRM INDUSTRIAL AND COMMERCIAL CONTRACT RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a daily contracted demand between 2 400 m<sup>3</sup> and 60 000 m<sup>3</sup>.

**(C) Rates**

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates.

1. Bills will be rendered monthly and shall be the total of:

(i) A Monthly Demand Charge

First	8 450 m <sup>3</sup> of daily contracted demand	61.6487	¢ per m <sup>3</sup>
Next	19 700 m <sup>3</sup> of daily contracted demand	27.6418	¢ per m <sup>3</sup>
All Over	28 150 m <sup>3</sup> of daily contracted demand	23.2229	¢ per m <sup>3</sup>

(ii) A Monthly Delivery Commodity Charge

First 422 250 m <sup>3</sup> delivered per month		1.5779	¢ per m <sup>3</sup>
Next volume equal to 15 days use of daily contracted demand		1.5779	¢ per m <sup>3</sup>
For remainder of volumes delivered in the month		0.6205	¢ per m <sup>3</sup>

Delivery - Price Adjustment (All Volumes)		-	¢ per m <sup>3</sup>
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(iii) Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel. The applicable rates are provided in Schedule "A".

2. Overrun Charge

Authorized overrun gas is available provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 103% of contracted daily demand. Authorized overrun will be available April 1 through October 31 at the identified authorized overrun delivery charge and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all volumes purchased.

Unauthorized overrun gas taken in any month shall be paid for at the identified unauthorized overrun delivery charge for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all gas supply volumes purchased.

Authorized Overrun Delivery Charge		3.6047	¢ per m <sup>3</sup>
Unauthorized Overrun Delivery Charge		5.8433	¢ per m <sup>3</sup>

3. Firm Minimum Annual Charge

In each contract year, the customer shall purchase from Union or pay for a minimum volume of gas or transportation services equivalent to 146 days use of firm contracted demand. Overrun gas volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume the customer shall pay an amount equal to the deficiency from the minimum volume times the identified firm minimum annual delivery charge and, if applicable a gas supply commodity charge provided in Schedule "A".

Firm Minimum Annual Delivery Charge	1.7672	¢ per m <sup>3</sup>
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In the event that the contract period exceeds one year the annual minimum volume will be prorated for any part year.

4. Interruptible Service

Union may agree, in its sole discretion, to combine a firm service with an interruptible service provided that the amount of interruptible volume to be delivered and agreed upon by Union and the customer shall be no less than 350,000 m<sup>3</sup> per year.

The price of all gas delivered by Union pursuant to any contract, contract amendment, or contract renewal shall be determined on the basis of the following schedules:

a) (i) Monthly Delivery Commodity Charge

Daily Contracted Demand Level (CD)

2 400 m <sup>3</sup> ≤ CD < 17 000 m <sup>3</sup>	3.0532	¢ per m <sup>3</sup>
17 000 m <sup>3</sup> ≤ CD < 30 000 m <sup>3</sup>	2.9233	¢ per m <sup>3</sup>
30 000 m <sup>3</sup> ≤ CD < 50 000 m <sup>3</sup>	2.8550	¢ per m <sup>3</sup>
50 000 m <sup>3</sup> ≤ CD ≤ 60 000 m <sup>3</sup>	2.8071	¢ per m <sup>3</sup>

Delivery - Price Adjustment (All Volumes)	-	¢ per m <sup>3</sup>
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(ii) Days Use of Interruptible Contract Demand

The price determined under Paragraph 4(a) of "Rates" will be reduced by the amount based on the number of Days Use of Contracted Demand as scheduled below:

For 75 days use of contracted demand	0.0530	¢ per m <sup>3</sup>
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212	¢ per m <sup>3</sup>

(iii) Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel. The applicable rates are provided in Schedule "A".

(iv) Monthly Charge	\$644.34	per month
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- b) In each contract year, the customer shall take delivery from Union, or in any event pay for, if available and not accepted by the customer, a minimum volume of gas or transportation services as specified in the contract between the parties and which will not be less than 350 000 m<sup>3</sup> per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times the identified interruptible minimum annual delivery charge, and if applicable, a gas supply charge provided in Schedule "A".

In the event that the contract period exceeds one year, the annual minimum volume will be prorated for any part year.

Interruptible Minimum Annual Delivery Charge 3.2425 ¢ per m<sup>3</sup>

- c) Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 105% of contracted daily demand.

Unauthorized overrun gas taken in any month shall be paid for at the identified unauthorized overrun delivery charge and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all gas supply volumes purchased.

Unauthorized Overrun Delivery Charge 5.8433 ¢ per m<sup>3</sup>

Unauthorized Overrun Non-Compliance Rate:

Unauthorized overrun gas taken any month during a period when a notice of interruption is in effect shall be paid for at the rate of 233.3400 ¢ per m<sup>3</sup> (\$60 per GJ) for the delivery.

**(D) Delayed Payment**

The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the bill if full payment is not received by the late payment effective date, which is 20 days after the bill has been issued.

**(E) Direct Purchase**

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems for all volumes. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

**(F) Bundled Direct Purchase Delivery**

Where a customer elects transportation service under this rate schedule the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

Effective January 1, 2019  
Implemented January 1, 2019  
O.E.B. Order # EB-2018-0315

Supersedes EB-2018-0253 Rate Schedule effective October 1, 2018.