

Contract ID	
Contract Name	

M7 Contract

This GAS DISTRIBUTION CONTRACT ("Contract"), made as of the _____ day of _____, 200_

BETWEEN:

Enbridge Gas Inc. operating as Union Gas
hereinafter called "Union"

- and -

COMPANY NAME
hereinafter called "Customer"

WHEREAS, Customer has requested Union and Union has agreed to provide Customer Services;

AND WHEREAS, if Customer has elected direct purchase services, Customer will be responsible for supplying Gas to Union under a separate contract called the Southern Bundled T;

AND WHEREAS, Union will deliver Gas to Customer's Point(s) of Consumption under this Contract pursuant to the Rate Schedule identified in Schedule 1;

IN CONSIDERATION of the mutual covenants contained herein, the parties agree as follows:

1 INCORPORATIONS

The following are hereby incorporated in and form part of this Contract:

- a) Contract Parameters contained in Schedule 1 as amended from time to time; and
- b) The latest posted version of Union's General Terms and Conditions subject to Section 12.18 of Union's General Terms and Conditions; and
- c) Rate Schedule M7 as amended from time to time and as approved by the Ontario Energy Board.

2 PRELIMINARY AND CONTINUING CONDITIONS

This Contract and the rights, and obligations of the parties hereunder shall be conditional upon the fulfillment and maintenance in good standing of the following conditions:

- a) Security arrangements acceptable to Union shall be supplied and maintained in accordance with the General Terms and Conditions; and
- b) If Customer has elected direct purchase services, Customer and Union shall have executed and maintained in good standing a Southern Bundled T.

The above conditions must be initially satisfied by Customer 25 days prior to the Day of First Delivery.

3 CONTRACT TERM

This Contract shall be effective from the date hereof. However, the Service, obligations, terms and conditions hereunder, shall commence on the Day of First Delivery. Subject to the provisions hereof, this Contract shall continue in full force and effect for each Contract Year until notice to terminate is provided by either Union or Customer. Such notice must be delivered at least three (3) months prior to the end of a Contract Year.

4 SERVICES PROVIDED

Union agrees to provide Services as specified in Schedule 1 and Customer agrees to pay for such Services pursuant to these Contract terms and conditions as set out in this Contract, the referenced attachments, and the rate(s) referenced in Schedule 1.

To be eligible for services under the M7 Rate Schedule, Customer must have a combined Firm, Interruptible and Seasonal Daily Contracted Demand greater than 60,000 m³. If the Customer does not maintain this level of consumption during the current contract year or is not expected to maintain this level of consumption then, notwithstanding any other remedy available to Union under this Contract or any other term of this Contract, effective the following contract year, the Customer may no longer qualify for service under the M7 Rate Schedule and may be placed on an alternate service by Union.

If a Customer has elected direct purchase services, and if Union does not receive Gas from Customer under the Southern Bundled T, then Union's obligations to provide Services under this Contract may, at Union's option, be suspended or terminated by Union. This suspension or termination will be effective as of the date specified in Union's notice to Customer, notwithstanding the General Terms and Conditions.

5 MINIMUM ANNUAL VOLUME

5.01 FIRM MINIMUM ANNUAL VOLUME

In each Contract Year, the Customer shall consume or, in any event, pay for the Adjusted Firm Minimum Annual Volume ("AFMAV") as determined in the formula below.

The firm quantity not consumed in any Contract Year (the "Firm Deficiency Volume" or "FDV") shall be as determined in the formula below.

$$\text{AFMAV} = \text{FMAV} \times [(\text{U} - \text{D}_F) / \text{U}]$$

$$\text{FDV} = \text{AFMAV} - (\text{FV} - \text{F})$$

Where:

- FMAV** = Firm Minimum Annual Volume (as identified in Schedule 1)
- U** = number of days in the Contract Year
- D_F** = number of days of Force Majeure in the Contract Year
- FV** = total firm volume taken in the Contract Year
- F** = volumes delivered to the Points of Consumption during Force Majeure

The payment required for the FDV shall be calculated by multiplying FDV by the Monthly Firm Delivery Commodity Charge as of the last day of the Contract Year. This payment would only apply if the FDV was greater than zero.

5.02 INTERRUPTIBLE MINIMUM ANNUAL VOLUME

In each Contract Year, the Customer shall consume or, in any event, pay for the Adjusted Interruptible Minimum Annual Volume (“AIMAV”) as determined in the formula below.

The interruptible quantity not consumed in any Contract Year (the "Interruptible Deficiency Volume") (“IDV”) shall be determined in the formula below.

$$\text{AIMAV} = \text{IMAV} \times [(\text{U} - \text{D}_I) / \text{U}]$$

$$\text{IDV} = \text{AIMAV} - (\text{IV} - \text{I})$$

Where:

- IMAV** = Interruptible Minimum Annual Volume (as identified in Schedule 1)
- U** = number of days in the Contract Year
- D_I** = number of days of interruption in the Contract Year
- IV** = total interruptible volume taken in the Contract Year
- I** = volume delivered to Point of Consumption during an interruption

The payment required for the IDV shall be calculated by multiplying IDV by the Monthly Interruptible Delivery Commodity Charge as of the last day of the Contract Year. This payment would only apply if the IDV was greater than zero.

6 CONTRACT SUCCESSION

This Contract replaces all previous Gas Distribution Contracts, subject to settlement of any Surviving Obligations.

The undersigned execute this Contract as of the above date. If an Agent on behalf of Customer executes this Contract then, if requested by Union, Agent or Customer shall at any time provide a copy of such authorization to Union.

Enbridge Gas Inc.
operating as Union Gas

Authorized Signatory

Please print name

Customer

I have the authority to bind the Corporation, or Adhere C/S, if applicable

Please print name