



ENBRIDGE GAS NEW BRUNSWICK INC.

Handbook of Rates and Distribution Services

Glossary of Terms

Rules, Regulations, Terms and Conditions

Revised January 1, 2007

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I – Rates and Services Available

The provisions of this Part I are intended to provide a general description of services offered by the Company and certain matters relating thereto. Such provisions are not definitive or comprehensive as to their subject matter.

GENERAL FRANCHISE SERVICES

The Company provides Distribution Services within its General Franchise area. The natural gas to be delivered shall be owned by the Applicant, Applicant's Gas Marketer or Gas Marketer acting on behalf of an Applicant for service. The Distribution Services are provided pursuant to the Company's General Service Rates.

APPLICABILITY

Unless otherwise stated in a Rate Schedule, the Company's rates and services are available throughout the entire General Franchise area serviced by the Company. Distribution Service will be provided subject to the Company having the capacity in its natural gas Distribution System to provide the Distribution Service requested.

SGSRE: SMALL GENERAL SERVICE RESIDENTIAL ELECTRIC

Small General Service Residential Electric Rate is applied to any Applicant who resides in a dwelling unit where the primary electric space heating and domestic hot water equipment was replaced with equipment using natural gas or any Applicant who resides in a dwelling unit that was built using natural gas equipment for heat and hot water requirements, requiring to use the Company's Distribution System to have a supply of natural gas transported to that single dwelling unit served through one meter.

SGSRO: SMALL GENERAL SERVICE RESIDENTIAL OIL

Small General Service Residential Oil Rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single dwelling unit served through one meter that does not meet the applicability requirements of the SGSRE Rate.

SGSC: SMALL GENERAL SERVICE COMMERCIAL

Small General Service Commercial Rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter that does not meet the applicability requirements of either the SGSRE or SGSRO Rate. Service under this rate schedule is limited to Applicants using less than 400 GJ per year.

GS: GENERAL SERVICE

General Service rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants using more than 400 but less than 2,000 GJ per year.

CGS: CONTRACT GENERAL SERVICE

Contract General Service rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants using more than 2,000 GJ per year with a Contract Demand of not less than 6 GJ per day.

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CLGS-LFO: CONTRACT LARGE GENERAL SERVICE LFO

Contract Large General Service LFO rate is applied to any Applicant whose alternate fuel is Light Fuel Oil (#2), Liquid Petroleum Gas, Kerosene or Electricity, requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants using more than 14,000 GJ per year who enter into a service contract with the Company for a Contract Demand of not less than 40 GJ per day.

CLGS-HFO: CONTRACT LARGE GENERAL SERVICE HFO

Contract Large General Service HFO rate is applied to any Applicant, whose alternate fuel is other than Light Fuel Oil (#2), Liquid Petroleum Gas, Kerosene or Electricity, requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants using more than 14,000 GJ per year who enter into a service contract with the Company for a Contract Demand of not less than 40 GJ per day.

OPS: OFF PEAK SERVICE

Off Peak Service rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter for the months of April through November. Service under this Rate Schedule is limited to Applicants using less than 2,000 GJ for the applicable period.

CLVOPS: CONTRACT LARGE VOLUME OFF PEAK SERVICE

Contract Large Volume Off Peak Service rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter for the months of April through November. Service under this Rate Schedule is limited to Applicants using more than 2,000 GJ for the applicable period who enter into a service contract with the Company.

NGVF: NATURAL GAS VEHICLE FUELING

Natural Gas Vehicle Fueling rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter where such gas is to be sold as authorized by the appropriate regulatory agency. Service under this Rate Schedule is limited to Applicants using more than 400 GJ per year.

CPPS: CONTRACT POWER PLANT SERVICE

Contract Power Plant Service rate is applied to any Applicant requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter for purposes of power generation. Service under this Rate Schedule is limited to Applicants using more than 2,500,000 GJ per year who enter into a service contract with the Company for a Contract Demand of not less than 11,000 GJ per day.

LRSS: LAST RESORT SUPPLY SERVICE

The Last Resort Supply Service rate will be applicable to any Applicant whose delivery of natural gas to the Company has been interrupted due to the failure of the Applicant's Gas Marketer to supply gas to them on a timely basis, and where no other Gas Marketer is able or willing to supply the Applicant.

II- Application for Distribution Service

HOW SERVICE MAY BE OBTAINED

Application for service may be made ordinarily by mail, telephone or by personal application at the Company's office, but written application on Company forms may be required. The application shall be in writing on the Company's prescribed forms when a main extension or service connection is required as described in Section 3 below.

1) Conditions Applicable to Low Volume Consumer

A. Application for Service – Low Volume Consumer

- 1) A Low Volume Consumer service application may be oral or written. An oral application for service shall be deemed completed when the Applicant provides his or her name, address, telephone number and address of prior account or prior account number (if any). The Company will require a new Applicant to complete a written application in all circumstances where a new service connection is required; or
 - a) there are arrears at the premises to be served and service was terminated for non-payment or is subject to a final notice of termination;
 - b) there is evidence of meter tampering or theft of service;
 - c) the meter has advanced and there is no customer of record; or
 - d) the application is made by a third party on behalf of the Person(s) who would receive service.
- 2) Whenever a written application for Low Volume Consumer service is required, the Company shall so notify the Applicant as soon as practicable after the request for service is made, and in no event more than 5 Business Days after such request, and shall state the basis for requiring a written application. A written application will require the submission of information required in an oral application and reasonable proof of the Applicant's identity and responsibility for service at the Terminal Location to be served. A written application containing the required information shall be deemed completed when received by the Company.

B. Former Indebtedness Paid - Low Volume Consumer

- 1) The Company will not be obligated to provide service to an Applicant who owes the Company money for Low Volume Consumer service provided to a prior account in his or her name unless:
 - a) the Applicant makes full payment for Low Volume Consumer service provided to any

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such prior account in his or her name;

- b) the Applicant agrees to make payments under a deferred payment plan of any amounts due for service to a prior account in his or her name;
- c) the Applicant has pending a billing dispute with respect to any amounts due for service to a prior account in his or her name and has paid any amounts required to be paid; or
- d) the Board or its authorized designee directs the provision of service.

C. Consumer Deposits - **Low Volume Consumer**

- 1) The Company may require a consumer deposit from any SGS or GS Customer as a condition of receiving utility service if such Customer is delinquent in payment of its utility bills. A current Customer is delinquent for the purpose of a deposit assessment if such Customer
 - a) accumulates 3 consecutive months of arrears without making reasonable payment, defined as one-half of the total arrears, of such charges before the time that a late payment charge would become applicable; provided that the Company requests such deposit within 1 month of such failure to pay; or
 - b) has ever had utility service terminated for nonpayment.
- 2) Customers included in subsection 1) above shall be provided a written notice, at least 7 days before a deposit is assessed, that the failure to make timely payment will permit the Company to require a deposit from such Customer. If a deposit, from a current SGS or GS Customer who is delinquent by virtue of his or her failure to make a reasonable payment of arrears is required, the Company shall permit such Customer to pay the deposit in installments over a period not to exceed 3 months.
- 3) Deposits from SGS or GS Customers may not exceed 5 times the estimated average monthly bill for a calendar year except in the case of gas space heating customers where deposits may not exceed 5 times the estimated average monthly bill for the heating season, to secure payment for services actually rendered, or for the rental of fixtures, instruments and facilities actually supplied. The Company shall inform the Customer of his or her right to have the amount of the required deposit reviewed by the Board if they wish to do so. The Company shall provide to the Customer the telephone number, fax number, mailing address and e-mail address of the Board.
- 4) The Company shall not require any Person it knows to be a recipient of public assistance, supplemental security income, or additional provincial payments to post a security deposit but will require a security deposit to be paid on the persons behalf.
- 5) The Company shall extend service to any new Applicant for service who has initiated a complaint on a deposit requested by the Company and shall continue to supply service during the pendency of such complaint, provided that such Applicant keeps current on bills for service rendered and pays a reasonable amount as a deposit if the complaint challenges only

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the amount requested.

- 6) The Company shall allow to each depositor interest compounded semi-annually.. The interest rate shall be set at the rate prevailing on Government of Canada one year Treasury Bills at the beginning of the calendar quarter in which the deposit is received. The interest rate shall remain constant for one year. If the deposit is held beyond one year, the interest rate shall be adjusted annually to the prevailing interest rate at the time of the extension. Interest shall be paid upon the return of the deposit, or where the deposit has been held for a period of one year, the interest shall be credited to the Customer on the first billing for utility service rendered after the end of such period. If the Customer is not delinquent in the payment of bills during the one-year period from the payment of the deposit, the deposit shall be refunded promptly without prejudice to the Company's right to require a future deposit in the event that the Customer thereafter becomes delinquent.
- 7) Each depositor, upon ceasing to be a Customer, shall promptly receive a refund of such deposit and all interest thereon not theretofore refunded or credited, upon surrendering the deposit certificate (or submitting satisfactory proof of the right to receive the deposit) and upon payment of all bills for which such deposit is security.

2) Conditions Applicable to Non-Low Volume Consumer

A. Application for Service - Non-Low Volume Consumer taking Distribution Service at the Point of Acceptance

1) Provision of Service:

- a) The Company shall advise of its ability to provide service to any Applicant as soon as reasonably possible, but no later than 10 Business Days after receipt of a completed application for service or such later time as may be specified by the Applicant, except:
 - i) where prevented by labour strikes, or other work stoppages;
 - ii) where precluded by consideration of public safety; or
 - iii) where precluded by physical impediments including:
 1. adverse weather conditions;
 2. inability to gain access to Terminal Location in the possession of the Applicant or others;
 3. incomplete construction of necessary facilities by the Applicant or inspection and certification thereof by the appropriate authorities; or
 4. incomplete construction of necessary facilities by the Company.
 - b) A request for service can be made by mail, telephone or in Person at the Company's office, but written application on Company forms will be required.
- 2) The Company will make all reasonable efforts to provide extensions of service and will pursue completion of any facilities it must construct with due diligence.

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3) Denial of Application:

- a) The Company will not deny an application for service except in a written notice either delivered personally to the Applicant or sent to the Applicant's current business address or any alternative mailing address provided in the application.
- b) The written notice of denial shall:
 - i) state the reason(s) for the denial;
 - ii) specify what the Applicant must do to qualify for service; and
 - iii) advise the Applicant of the right to an investigation and review of the denial by the Board or its authorized designee if the Applicant considers the denial to be without justification, and provide the telephone number, fax number, mailing address and e-mail address of the Board.

- 4) The Company will advise any Applicant who submits an incomplete application, in writing and within 5 Business Days after receipt of the application, of the information and/or documents that must be submitted in order for the application to be considered complete. Such notice shall not itself be considered a denial of the application.

B. Former Indebtedness Paid - **Non-Low Volume Consumer** taking service at the Point of Acceptance.

- 1) The Company will not be obligated to provide service to a non-Low Volume Consumer until full payment is made for all amounts due and payable which are not either the subject of a pending billing dispute pursuant to the Company's Rules, Regulations, Terms and Conditions or of an existing deferred payment agreement that is in good standing. Amounts due and payable include:
 - a) service provided and billed to prior account(s) in the Applicant's name or for which the Applicant is legally responsible;
 - b) other tariff fees, charges, or penalties;
 - c) reasonably chargeable material and installation costs relating to temporary or permanent service line or main extensions or service laterals as required by the Company's Rules, Regulations, Terms and Conditions, provided these costs are itemized and given to the Applicant in writing;
 - d) special services billable under this tariff, provided these costs are itemized and given to the Applicant in writing; and
 - e) a security deposit, if requested by the Company in accordance with the Company's Rules, Regulations, Terms and Conditions.
- 2) The Company will provide service to any accepted Applicant whose application for service was previously denied solely for failure to make full payment as provided in this rule as soon

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as reasonably possible, but no later than 10 Business Days, or such later time as may be specified by the Applicant, after the payment is made.

C. Security Deposits: - **Non-Low Volume Consumer** taking Distribution Service at the Point of Acceptance.

1) Deposit Requirements:

a) The Company may only require the payment of a security deposit from:

- i) a new Customer; or
- ii) an existing Customer:

- 1. who is delinquent;
- 2. where the financial condition of the Applicant is such that it is likely that the Customer may default in the future; provided, however, that the Company must have reliable evidence of such condition, such as reports from accepted financial reporting services, or credit reporting agencies;
- 3. who has filed for reorganization or bankruptcy; or
- 4. who has been rendered a back bill within the last 3 months for previously unbilled charges for service that came through tampered equipment.

b) The Company shall offer an existing Customer, from whom a deposit is required under this subdivision the opportunity to pay the deposit in three installments, 33 percent down and 2 monthly payments of the balance.

c) A request for a deposit or deposit increase shall be in writing and shall advise the Customer:

- i) why the deposit is being requested;
- ii) how the amount of the deposit was calculated;
- iii) that the deposit is subject to later upward or downward revision based on the Customer's subsequent billing history;
- iv) that the Customer may request that the Company review the account in order to assure that the deposit is not excessive;
- v) the circumstances under which the deposit will be refunded;
- vi) that the Customer will receive annual notice of the interest credited to the account;
- vii) about the available deposit alternatives; and
- viii) that for an existing Customer from whom the deposit is being requested because of delinquency or financial condition, the deposit may be paid in 3 installments.

d) The Company will issue to every Customer from whom a deposit is obtained, a receipt showing the date, the account number, the amount received and the form of payment. The receipt shall also contain a notice explaining the manner in which interest will accrue and be paid and that the receipt is neither negotiable nor transferable.

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2) Deposit Calculation:

- a) The amount of a deposit shall not exceed the cost of 4 times the Customer's average monthly usage, except in the case of Customers whose usage varies widely such as space heating or cooling Customers, or certain manufacturing and industrial processors, where the deposit shall not exceed the cost of 4 times the average monthly usage for the four months of highest consumption.
- b) In the case of an existing Customer who has 12 months or more billing history, the amount of deposit shall be based on service used during the previous 12 month period as evidenced by the billing history.
- c) In the case of a new Customer or a Customer with less than 12 months of billing history, the amount of the deposit shall be based on one or more of the following, as available:
 - i) the billing history of the Customer;
 - ii) information provided in the application by the Customer about the expected load and use of service;
 - iii) information contained in a load study of the Terminal Location prepared by the Company; and
 - iv) the billing history of the previous Customer, provided there have been no significant changes in the load.

3) Deposit Review:

- a) The Company shall, at the first anniversary of the receipt of the deposit and at least biennially thereafter, review the billing history of every Customer who has a deposit with the Company, to assure that the amount of the deposit conforms to the limitations contained in subdivision (2) of this subsection. This requirement does not limit the right of the Company to review a deposit at any time.
- b) If a deposit review shows that the deposit held falls short of the amount that the Company may lawfully require by 10 percent or more, the Company may require the payment of a corresponding additional deposit amount from the Customer.
- c) If a deposit review shows that the deposit held exceeds the amount that the Company may lawfully require by 10 percent or more, the Company shall refund the excess deposit to the Customer in accordance with subdivision (6) of this subsection.
- d) Upon request of a Customer for a downward revision of the deposit, a request that is substantiated both by the Customer's billing history and by a permanent documented change in load and consumption, the Company shall refund any portion of the deposit in excess of the amount the Company may lawfully require in accordance with subdivision (6) of this subsection.

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4) Deposit Alternatives:

The Company shall accept deposit alternatives that provide a level of security equivalent to cash, such as irrevocable bank letters of credit and surety bonds.

5) Interest:

- a) All cash deposits shall accrue interest compounded semi-annually. The interest rate shall be set at the rate prevailing on three year Government of Canada bonds at the beginning of the calendar quarter in which the deposit is received. The interest rate shall remain constant for three years. If the deposit is held beyond three years, the interest rate shall be adjusted every three years to the prevailing interest rate at the time of the extension.
- b) Interest shall be paid to the Customer upon the return of the deposit, or where the deposit has been held for a period of one year or more. The interest shall be credited to the Customer no later than the first bill rendered after the next succeeding first day of October and at the expiration of each succeeding one year period.
- c) Interest shall be calculated on the deposit until the day it is applied as a credit to an account or the day on which a refund check is issued. If the deposit is credited in part and refunded in part, interest shall be calculated for each portion up to the day of credit and refund.

6) Deposit Return:

- a) The Company shall return a deposit or a portion thereof plus the applicable interest in accordance with paragraphs 5(b) and 5(c) of this subdivision, as soon as reasonably possible, but no more than 60 calendar days after:
 - i) the day an account is closed;
 - ii) the issuance date of the first cycle bill rendered after a 3 year period during which all bills were timely paid, provided there is no other basis for the Company to request a deposit under paragraph (1)(a) of this section; or
 - iii) a review pursuant to paragraph 3(d) of this subsection shows that deposit reduction is warranted.
- b) The deposit or portion thereof plus the applicable interest that is subject to return under paragraph 6(a) of this subdivision:
 - i) shall be credited to the account it secured in the amount of any outstanding charges;
 - ii) may be credited to the account it secured in the amount of the next projected cycle bill, if applicable; and
 - iii) may be credited to any other account of the Customer not secured by a deposit, in the amount of the arrears on that account.
- c) If a balance remains after the Company has credited the Customer's account(s) in

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accordance with paragraph 6(b) of this subdivision, a refund check shall be issued to the Customer.

D. Piping and Equipment for **Non Low Volume Consumer** taking Distribution Service at the Point of Acceptance.

- 1) The Applicant shall, at his own expense, equip his Terminal Location with such piping and fixtures as may be necessary for the proper utilization of the Company's Gas Distribution Service. Such piping and fixtures shall comply with the Rules, Regulations, Terms and Conditions of the Company and the requirements of the governmental authority having jurisdiction therefor. At any time the Company may inspect all Terminal Location lines, piping, connections, and equipment in which Gas delivered by the Company is to be used. No Gas will be delivered until any and all defective conditions found are corrected to the satisfaction of the Company.
- 2) The Company reserves the right to change the character of the natural gas delivered, pursuant to law and the provisions of this Rate Schedule, subject to the lawful jurisdiction of the Board.

3) Conditions Applicable To All Customers

A. Meter Set Location:

- 1) Meters shall be located outdoors in accessible and convenient locations except at the discretion of the Company.

B. Meter Access:

- 1) It is the responsibility of the Customer to provide access to the gas meter.

C. Provision of Gas Distribution Service:

- 1) When an application for Gas Distribution Service is made to the Company by the owner or occupant of a Building along the line of any of its pipelines or can be economically supplied through a main extension, the Company will render the service requested in accordance with the following rules.
- 2) An Applicant shall first have:
 - a) assured the Company that he/she will be a reasonably permanent customer;
 - b) received a written estimate of any costs which the Company estimates that the Applicant will be required to pay for:
 - i) the material and installation costs relating to any portion of the service line, service connections and appurtenant facilities located on his/her property that exceeds the

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portion which the Company will install without charge and agreed in writing to pay such costs to the Company;

- ii) any surcharge (Contribution in Aid of Construction) relating to the portion of the main and appurtenant facilities that exceeds the portion which the Company will install without charge and agreed in writing to pay such costs to the Company; and
- c) agreed in writing to pay to the Company the rates charged like Customers;
- d) furnished reasonable security as to the performance of his/her agreement if required to do so by the Company; and
- e) furnished rights-of-way or made agreement to pay costs therefor as follows:
 - i) Each Applicant or Customer shall execute and deliver to the Company, free from cost, satisfactory permanent easements or rights-of-way to permit the Company to provide service.
 - ii) The Company shall not be obligated to provide service to any Applicant or Customer which has not:
 - 1. delivered to the Company satisfactory permanent easements or rights-of-way;
 - 2. requested that the Company obtain such easements or rights-of-way, agreed to pay any costs which the Company incurs in obtaining them and (if required to do so by the Company) furnished reasonable security as to the performance of the agreement; or
 - 3. is not located along the line of any of its pipelines.

D. Inspection, Maintenance and Replacement of Facilities:

- 1) The Company shall be solely responsible for the inspection, testing, operation, maintenance, replacement and reconstruction of all mains, service lines, service connections and appurtenant facilities which it uses to deliver Gas to Customers.
- 2) The Company shall bear the cost of inspecting, testing and operating all facilities. It shall bear the cost of maintaining, replacing or reconstructing all main and appurtenant facilities. It shall also bear the cost of maintaining, replacing or reconstructing the service line and appurtenant facilities necessary to serve each Customer, unless an act or omission of the Customer necessitates the replacement or reconstruction.
- 3) If an act or omission of any Customer necessitates the replacement or reconstruction of any Company facilities, the Customer shall pay to the Company the cost of replacement or reconstruction.

E. Main Extensions:

- 1) If a gas main extension is required to serve an Applicant, the Company shall furnish, place and construct the gas main and appurtenant facilities if it is economically feasible to do so.

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- 2) The Company's cost of this main extension shall include material and installation costs, the amounts paid to governmental authorities for required permits and all paving charges that are legally imposed by any governmental authority for the repair or replacement of any street or sidewalk disturbed in the course of such installation.
- 3) If the Company, in order to provide service to an Applicant, must install gas mains and appurtenant facilities in addition to those described above, the Company will impose a surcharge (Contribution in Aid of Construction) which will make the service to the Customer economically feasible.

F. Service Connections:

- 1) The Company will install, at its own expense, up to 30 metres of service line (service line measured from the centerline of the public right-of-way, or from the main if it is closer to the Customer), service connections and the required metering facilities. The service installation costs shall include material, installation, the amounts legally imposed by governmental authorities for obtaining work permits and for repairing or replacing disturbed pavement. The Company's metering facility shall be installed on the front wall of the Customer's property, or on a side wall within two metres of the front wall. Service piping will not be installed under winter conditions (as determined by the Company) except in the case of an emergency situation (failure of a Customer's heating system), causing an urgent need for natural gas service.
- 2) Additional footage of gas service piping will be charged to the Customer at a rate not less than \$32.00/metre. However, if, in the opinion of the Company, the prospective revenue is sufficient to justify such excess piping, additional footage of gas service piping may be installed at the expense of the Company.
- 3) In the event additional service capacity is required, such expenses will be paid by the Customer at the Company's cost thereof. However, if in the opinion of the Company, the prospective revenue is sufficient to justify such excess capacity expense, service piping may be installed at the expense of the Company.
- 4) Whenever the Company installs service lines, service connections and metering facilities at the request of an Applicant who does not take service within a reasonable period of time after facilities are in place, the Applicant shall bear all reasonable expenses. Expenses may include providing, placing and constructing such facilities, but the Applicant shall be entitled to a refund whenever gas service is required for such part of the expense as the Company is herein before required to assume. The refund shall be the cost of the service lines and appurtenances less depreciation at the current rate.
- 5) The Company may under certain conditions allow the Customer to minimize excess costs by providing trenching on the Customer's property according to Company specifications, but under no condition will the Customer be allowed to install piping that would be the property or responsibility of the Company.

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G. Facility Relocation:

Whenever, at a Customer's request, the Company relocates equipment or facilities to suit the convenience of the Customer, the Customer shall reimburse the Company the cost incurred by the Company.

H. Choice of Gas Distribution Service Rate:

- 1) The Company will endeavor to assist a Customer in the selection of the available Gas Distribution Service Rate that may be most favorable to his requirements. The Company does not make any warranty, expressed or implied, as to the rates, classifications or provisions favorable to the present or future service requirement of the Customer.
- 2) Natural Gas Distribution Service may be supplied under more than one of the Company's Gas Distribution Service Rates to any Customer at a Terminal Location provided such Customer meets all the applicable requirements of each Rate Schedule as approved by the Board. Natural gas delivered under each Rate Schedule will normally be metered separately. It can, however, be taken through one meter under no more than two Rate Schedules provided the Company and the Customer agree in writing to a formula for determining the Natural Gas Distribution Service that the Customer will purchase under each Rate Schedule.

I. Termination of Gas Supply and/or Delivery:

- 1) A Customer will continue to be bound by the provisions in this Rates Handbook and the Distribution Service Agreement and will be obligated to pay for all gas supplied and/or delivered to the premises until the Company has terminated the supply of Gas following the acceptance of a request for termination from the Customer.
- 2) The Company may discontinue gas supply and/or delivery to any Customer for any of the following reasons:
 - a) for failure or refusal of the Customer to pay any amount owing to the Company;
 - b) for use of gas for any purpose other than that described in the service application, gas supply contract, or Rate Schedule;
 - c) in case the Company, its servants or agents are refused access for any lawful purposes to the premises to which gas is supplied and/or delivered;
 - d) when the Company's property on a Customer's premises is in any manner tampered with, damaged, or destroyed;
 - e) when the Company has reason to believe that an unsafe condition exists on the premises or may develop from a continuation of gas supply and/or delivery;
 - f) when a gas installation contravenes the provisions of the *Gas Distribution Act, 1999* or regulations or any applicable enactment; or

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- g) where there is evidence of gas theft.
- 3) Discontinuance of gas supply and/or delivery for any of the reasons set out in subdivision I (2) shall result in a Disconnect and Reconnect Charges payable by the Customer.
- 4) The Customer is to be notified, in advance, that the Company plans to discontinue gas supply and/or delivery. The Company shall inform the Customer of his or her right to have the disconnection reviewed by the Board if they wish to do so. The Company shall provide to the Customer the telephone number, fax number, mailing address and e-mail address of the Board.

III- Application for Gas Supply Services

DELIVERY OF NATURAL GAS

Any Applicant, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant, at the time of applying for service, must elect, for the term of any Distribution Service Agreement, to deliver its own natural gas requirements to the Company at the Point of Acceptance. The Company shall deliver Gas to a Terminal Location as required by the Applicant, subject to the Rules, Regulations, Terms and Conditions contained in this tariff, the applicable Rate Schedule and in the Distribution Service Agreement.

IV- General Terms and Conditions Applicable to All Services

ENERGY CONTENT

It is assumed that each Cubic Metre of natural gas delivered to a Terminal Location contains the same number of megajoules of energy as natural gas delivered to the Company at the Point of Acceptance for Distribution Service.

SUBSTITUTION PROVISION

The Company may deliver natural gas, gaseous or liquid hydrocarbons from any standby equipment provided that the hydrocarbon so delivered shall be reasonably equivalent to the natural gas normally delivered.

BILLS

Bills will be mailed or delivered monthly. The amount of natural gas delivered will be determined by the Company through either meter reading, the summing of monthly nominations or by the Company's estimate of consumption where meter reading has not occurred.

The Company will use a Gigajoule Conversion Factor (GCF) to convert the delivered volume of natural gas into a standard measure of delivered energy (gigajoule or GJ). The GCF is defined as the average energy content of natural gas delivered by the Distribution System during the Billing Month and will be based on the average of daily energy contents of natural gas received by the Distribution System during the Billing Month.

The Distribution Rates and charges applicable to a Billing Month shall be those applicable to the calendar month that includes the last day of the Billing Month.

MINIMUM BILLS

The minimum bill per month applicable to service under any particular Rate Schedule shall be the Customer Charge plus any applicable Contract Demand Charges for Distribution Services. If, in a Contract Year, the volume of natural gas taken at the Terminal Location is less than the Contract Demand multiplied by a contractually specified multiple (Annual Minimum Volume), the Applicant will be charged for service related to the Annual Minimum Volume. If, at the request of the Company, natural gas deliveries to the Terminal Location have been curtailed or discontinued in a Contract Year, the Annual Minimum Volume shall be reduced for each day of Curtailment or discontinuance. The amount reduced is defined as the excess of the Contract Demand over the volume delivered to the Terminal Location on such day.

PAYMENT CONDITIONS

Payment in full should be received by the Company, or by an institution authorized by the Company, on or before the due date specified in the monthly bill. This date is defined as 15 days after the date of rendering the bill. Interest shall apply on the overdue accounts at a rate compounded monthly as the Board may approve from time to time. When payment is mailed, the interest will accrue if the payment is not mailed on or before the specified due date.

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TERM OF ARRANGEMENT

When Distribution Service is provided under a written agreement in effect relating to the provision of such service, the term for which such service is to continue shall be as stated in the Rate Schedule or the Distribution Service Agreement. The term shall automatically be extended for a like period immediately following the expiry of any initial term or extension term unless the required notice (which shall be reasonable) to terminate service is given to the Company, in a manner acceptable to the Company, prior to the expiry of the term. An Applicant receiving such service who temporarily discontinues service in the initial term or in any extension term and does not pay all the minimum bills for the period of such temporary discontinuance of service shall, upon the continuance of service, be liable to pay an amount equal to the unpaid minimum bills for such period.

MEASUREMENT

The Company will install, operate and maintain at a Terminal Location such measurement equipment of suitable capacity and design as is required to measure the volume of natural gas delivered. Any special conditions for measurement are contained in the Rules, Regulations, Terms and Conditions that form part of each Distribution Service Agreement.

RATES IN CONTRACTS

Notwithstanding any rates for Distribution Services specified in any Distribution Service Agreement, the rates and charges provided for in an applicable Rate Schedule shall apply for service rendered on and after the effective date stated in such Rate Schedule until such Rate Schedule ceases to be applicable.

DAILY DELIVERED VOLUMES

The Daily Delivered Volumes is the sum of the daily volume of natural gas recognized by the Company as having been delivered to the Point of Acceptance under all Distribution Service Agreements.

LIMITATION OF LIABILITY

Enbridge Gas New Brunswick shall not be responsible for any claim, action, loss or proceeding whatsoever as a result of any interruptions, diversions, curtailments, or other procedures that are beyond the control of the Company.

METERING AND BILLING

Enbridge Gas New Brunswick shall own all metering at the Terminal Location. Bills will be mailed or delivered monthly. Gas consumption to which the Company's rates apply will be determined by the Company either by meter reading or by the Company's estimate of consumption where the meter reading has not occurred.

Enbridge Gas New Brunswick will also offer a full billing service for Gas Marketers providing service to multiple Terminal Locations including gas cost, upstream transportation cost and such other services provided to the Customer. Enbridge Gas New Brunswick will remit on a monthly basis the billing amount related to the Gas delivered by the Gas Marketer net of the gas distribution charges and other related costs.

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DEFERRED PAYMENT

Enbridge Gas New Brunswick at its sole discretion may enter into a negotiated deferred payment agreement with Customers for the purpose of recovering current indebtedness over a period.

BILLING DISPUTES

All billing disputes that have not been resolved within 60 days from the date of inception shall be referred to Enbridge Gas New Brunswick's Billing Dispute Resolution Officer. During the initial 60 day period, all billing disputes shall be addressed by Enbridge Gas New Brunswick's Customer Care Supervisor. In the case of all billing disputes, the Customer shall be informed of their right to have the matter reviewed by the Board. The Company shall provide to the Customer the telephone number, fax number, mailing address and e-mail address of the Board.

V- Operation Terms and Conditions

NOMINATIONS

An Applicant, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant delivering natural gas to the Company's Point of Acceptance is responsible for advising the Company, by means of a contractually specified Nomination procedure, of the daily volume of natural gas to be delivered (Nominated Value). Enbridge Gas New Brunswick will follow the general nomination procedures set forth by M&NP.

Gas Transportation Services (GTS) users shall furnish or cause to be furnished a daily Nomination showing the quantity of gas to be received and delivered to Enbridge Gas New Brunswick for all Points of Acceptance.

Enbridge Gas New Brunswick gas control may monitor all Nominations against its projected load profile and function as the source for determining the need for revised Nomination(s) throughout the day. Enbridge Gas New Brunswick and GTS users shall use the same algorithms to forecast next day Nominations and monitor the need for intra day Nomination(s) adjustments throughout the life of the Distribution Service Agreement. Intra-day Nomination revisions shall be in compliance with the procedures of M&NP.

Enbridge Gas New Brunswick gas control will function as the daily source for Nominations information on an individual and combined GTS user basis for all Distribution Services.

OPERATIONAL FLOW ORDERS

Enbridge Gas New Brunswick reserves the right to issue Operational Flow Orders to preserve the integrity of the Distribution System. This is to ensure adequate operational pressures, to have adequate supplies in the system, to assure adequate coverage of Lost and Unaccounted For (LUF), to maintain firm service and to optimize the operation of the system. To the extent possible, Enbridge Gas New Brunswick will identify specific Applicant(s) and/or Gas Marketer(s) whose action(s) require Enbridge Gas New Brunswick to issue Operational Flow Order(s) and Enbridge Gas New Brunswick will limit the applicability of Operational Flow Order(s) to such GTS user(s). Notwithstanding the foregoing, if Enbridge Gas New Brunswick is unable to identify specific GTS user(s) whose action(s) require issuance of an Operational Flow Order(s), Operational Flow Order(s) will be issued as necessary to resolve the operational problem.

If Enbridge Gas New Brunswick is required to issue an Operational Flow Order(s), Enbridge Gas New Brunswick will post a notice of such Operational Flow Order(s) on the EBB system with a description of the necessity for such order, the GTS user(s) to which the order is directed and the anticipated order duration. To the extent specific GTS user(s) are not identified in any notice of an Operational Flow Order(s) such order will be applicable to all GTS users. To the extent feasible under the circumstances, Enbridge Gas New Brunswick will post any notice of an Operational Flow Order at least 2 hours prior to such order becoming effective on its Electronic Bulletin Board and through direct electronic communication to GTS user(s) on the EBB system. Enbridge Gas New

Handbook of Rates and Distribution Service

Brunswick will post a notice on its electronic bulletin board informing GTS user(s) of the Operational Flow Order cancellation time.

In the event that the GTS user(s) fail to respond to an OFO, Enbridge Gas New Brunswick through contract(s) or other operating agreements shall have the right to take remedial action to maintain both system integrity and the effective operation of the Gas Distribution System. In the event Enbridge Gas New Brunswick issues an Operational Flow Order(s) that is not followed by a GTS user(s), the GTS user(s) will be obligated to reimburse Enbridge Gas New Brunswick for all reasonable costs incurred by Enbridge Gas New Brunswick to remedy the failure to comply with such order.

LOAD BALANCING AND IMBALANCES

Hourly, daily and seasonal load balancing shall be the sole responsibility of an Applicant, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of the Applicant (GTS user(s)). Enbridge Gas New Brunswick gas control will function as the daily source for load balancing information on an individual and combined GTS user basis for all Distribution Services.

Detailed conditions and obligations related to load balancing and imbalances are set forth in the M&NP General Terms & Conditions (Section 11).

Enbridge Gas New Brunswick will act as a facilitator and data source (in addition to all GTS user(s) input) for imbalance reconciliation. Enbridge Gas New Brunswick gas control through the use of the daily algorithms and automatic meter reading information for specific customers will calculate the daily imbalances for each GTS user. This data is intended to be provided on the second Gas Day following the Gas Day. Applicants, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant shall develop methods and procedures to mitigate and resolve all imbalances.

Enbridge Gas New Brunswick will provide GTS users a periodic imbalance statement. GTS users agree to accept the Enbridge Gas New Brunswick statement as controlling absent a factual showing of discrepancy using the same algorithms. Applicants, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant shall develop methods and procedures to mitigate and resolve all imbalances.

VI- Other

SUPPLIER OF LAST RESORT

Definition:

A Person who sells or delivers natural gas when a Gas Marketer fails to supply gas to a Customer on a timely basis and no other Gas Marketer is able or willing to do so.

On a timely basis:

When a Gas Marketer fails to supply gas to a Customer, EGNB will provide Gas supply to the Customer on a timely basis not exceeding 30 days. EGNB shall make all reasonable efforts to inform the Customer as soon as a failure occurs. EGNB will use all reasonable efforts to obtain a Gas quantity equivalent to the quantity which is the subject of the failure (the Replacement Gas). The Customer undertakes to pay EGNB a monetary indemnity equal to the cost incurred by EGNB for obtaining the Replacement Gas (the Gas Indemnity) plus 10%. EGNB shall use all reasonable efforts to minimize such Gas Indemnity.

The defaulting Gas Marketer shall indemnify EGNB for all reasonable direct damages sustained by the latter as a result of such failure to supply. Moreover, where EGNB was unable to obtain Replacement Gas and therefore had to curtail quantities it supplies within its Franchise Area, then Gas Marketer shall indemnify EGNB for EGNB's loss in distribution revenues or any other revenues directly attributed to such curtailment.

Mid term supply:

If a Customer is unable to obtain supply from a Gas Marketer prior to the expiration of the process described above, he may request Last Resort Supply Service. The Customer undertakes to pay EGNB a monetary indemnity equal to the cost incurred by EGNB for obtaining the Last Resort Supply Service plus 10%, for the term of the agreement.

VII- Glossary of Terms and Conditions

In this Handbook of Rates and Distribution Services, terms shall have the following meaning:

ACT: Atlantic Clock Time.

Annual Minimum Volume: The annual minimum volume agreed to by the Applicant, Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant under its Rate Schedule or Distribution Service Agreement.

Applicant: The Person who makes an application to the Company for one or more of the services of the Company.

Billing Month: A period of approximately thirty (30) days following which the Company renders a bill to an Applicant, an Applicant's Gas Marketer, or a Gas Marketer acting on behalf of an Applicant.

Board: Board of Commissioners of Public Utilities constituted pursuant to the *Public Utilities Act*.

Building: Any structure or installation on, within or under which Gas is or can be used for any purpose.

Business Day: Any day other than Saturday, Sunday or statutory and civic holidays in the Province.

Certificate: A Gas Marketer's certificate issued under the *Gas Distribution Act, 1999*.

City Gate Station: The point or measuring station at which EGNB receives gas from a high pressure pipeline or a local gas producer and at which gas is metered, reduced in pressure and prepared for distribution to Customers.

Commodity Charge: A charge per unit volume of natural gas actually delivered by the Company and taken by the Customer.

Company: Enbridge Gas New Brunswick Inc. (EGNB or Enbridge Gas New Brunswick or Gas Distributor), a company formed pursuant to the *Canada Business Corporations Act (Canada)*.

Contract Demand: A contractually specified daily volume of natural gas applicable to service under a particular Rate Schedule which is the maximum volume of natural gas the Company is required to deliver to a Customer at its Terminal Location on a daily basis under a Distribution Service Agreement.

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Contract Demand Charge or Demand Charge: A fixed monthly charge set forth in the Rate Schedule which is applied to the Contract Demand specified in a Distribution Service Agreement. It represents the charges for reserved capacity in the natural gas Distribution System.

Contract Year: A period of 365 days (366 in leap years) commencing on the Date of First Deliveries unless otherwise provided in the Distribution Service Agreement, and each consecutive 365 day period thereafter.

Cubic Metre (m³): That volume of natural gas which at a temperature of 15 degrees Celsius and at an absolute pressure of 101.325 kilopascals (kPa) occupies one cubic metre. “10³m³” denotes 1,000 cubic metres.

Curtailement: An interruption in a Customer’s natural gas delivery at a Terminal Location resulting from compliance with a request or an order by the Company, an Applicant’s Gas Marketer, or a Gas Marketer acting on behalf of an Applicant to discontinue or curtail the use of natural gas.

Customer: Any Person who uses or consumes gas within New Brunswick for industrial, commercial, residential or marketing purposes other than a gas distributor.

Customer Charge: A fixed charge that reflects being connected to the natural gas Distribution System and is not related to the volume actually consumed.

Customer Service: A service that is not a natural monopoly and includes services such as appliance service, yardline or houseline maintenance, meter reading, billing, collections, call centre, load balancing, peaking service, supplier of last resort service, storage and arranging for pipeline capacity on a transmission line or a pipeline regulated by the United States Federal Energy Regulatory Commission.

Daily Delivered Volume: The daily volume of natural gas recognized by the Company as having been delivered by an Applicant, an Applicant’s Gas Marketer or a Gas Marketer acting on behalf of an Applicant to the Company’s Point of Acceptance. This volume will be the sum of the volumes of natural gas delivered under all Distribution Service Agreements.

Daily Demand: The volume of natural gas taken on a day at a Terminal Location. The volume is measured by daily metering equipment, or where the Company does not own and maintain daily metering equipment at a Terminal Location, the volume of natural gas taken within a billing period divided by the number of days in that billing period.

Date of First Deliveries: 11:00 a.m. Atlantic Clock Time (ACT) on the date an Applicant, an Applicant’s Gas Marketer or a Gas Marketer acting on behalf of an Applicant commence deliveries of natural gas under the applicable Distribution Service Agreement.

Delivery Charge: A charge for the use of the Distribution System that includes the Demand Charge and a Commodity Charge. A component of the Rate Schedule that is applied to each GJ metered at the Terminal Location.

Handbook of Rates and Distribution Service

Distribution Service or Gas Distribution Service: The Distribution of natural gas for an Applicant, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant from the Point of Acceptance to the Terminal Location.

Distribution Service Agreement or Service Agreement: An agreement between the Company and the Applicant, Applicant's Gas Marketer or Gas Marketer acting on behalf of an Applicant which describes the responsibilities of each party in respect to the arrangements for the Company to provide Distribution Service to one or more Terminal Locations.

Disconnect and Reconnect Charges: The charges levied by the Company for disconnecting or reconnecting a Customer from or to the Company's natural gas Distribution System.

Distribute: To transmit, transport, move or conduct gas by any means whatsoever. Distribution has a corresponding meaning.

Electronic Bulletin Board (EBB): The EBB is an interactive system pursuant to which Gas Marketers shall submit nominations.

Firm Service: A service for a continuous delivery of natural gas without curtailment, except under extraordinary circumstances.

Franchise Area: The area of the Province in which EGNB has been granted the right by the Lieutenant-Governor in Council to distribute natural gas and offer Customer Services to Customers.

Gas or natural gas: Any hydrocarbon or mixture of hydrocarbons that, at a temperature of 15 degrees Celsius and an absolute pressure of 101.325 kilopascals, is in a gaseous state.

Gas Day: A period of 24 consecutive hours, beginning and ending at 11:00 a.m. ACT; any date referred to in the Distribution Service Agreement refers to a day commencing at 11:00 a.m. ACT on such date.

Gas Distribution System or Distribution System: All or part of a pipeline, up to and including the meter, that is used to distribute gas to a building where it is used by a Customer.

Gas Distribution Act, 1999: As set forth in the Statutes of New Brunswick, 1999, c. G-2.11, as amended.

Gas Distributor: A Person owning, operating, managing or controlling a Gas Distribution System and who has been granted a General Franchise or a Local Gas Producer Franchise under the former Act or the *Gas Distribution Act, 1999* to distribute gas to Customers in the Province. For the purposes of this Rate Handbook, Gas Distributor shall mean Enbridge Gas New Brunswick.

Handbook of Rates and Distribution Service

Gas Marketer: Persons who are certified by the Board to (a) sell or offer to sell Gas or a Customer Service to a Customer, (b) acts as an agent or broker for a seller of Gas or of a Customer Service to a Customer, or (c) acts or offers to act as the agent or broker of a Customer in purchasing Gas or a Customer Service.

Gas Transportation Services User (GTS user) A Person that purchases gas transportation services from M&NP, or a M&NP Customer, for services on the transmission pipeline upstream of the Gas Distribution System.

General Franchise: A franchise to distribute Gas and provide Customer Services in the entire Province, subject to Single End User Franchises and Local Gas Producer Franchises, under the former act or the *Gas Distribution Act, 1999* and subject to any order of the Board made under subsection 9(2) of the *Gas Distribution Act, 1999*.

General Service Rates: The Rate Schedules applicable to Distribution Service on the natural gas Distribution System.

Gigajoule ("GJ"): See Joule.

Joule ("J"): The amount of work done when the point of application of a force of one newton is displaced a distance of one metre in the direction of the force. One megajoule ("MJ") means 1,000,000 joules; one gigajoule ("GJ") means 1,000,000,000 joules.

Local Gas Producer: A Person having the right to remove gas from a well in New Brunswick.

Local Gas Producer Franchise: A franchise granted under the *Gas Distribution Act, 1999* or the former Act to a local gas producer for an area that is less than the whole of the Province.

Low Volume Customer or Low Volume Consumer: A Person who consumes no more than two thousand gigajoules of Gas per year.

Lost and Unaccounted For (LUF): The amount of gas, determined from time to time which is lost and unaccounted for in the Distribution System.

M&NP: Maritimes and Northeast Pipeline Management Ltd., as general partner for and on behalf of Maritimes & Northeast Pipeline Limited Partnership.

Month: A period beginning at 11:00 a.m. ACT on the first day of a calendar month and ending on 11:00 a.m. ACT on the first day of the next succeeding calendar month.

Nominated Volume: The daily volume of natural gas an Applicant, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant has advised the Company it will deliver to the Company's Point of Acceptance.

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Nominate, Nomination: The procedure of advising the Company of the volume of natural gas which the Applicant, an Applicant's Gas Marketer or Gas Marketer acting on behalf of an Applicant will be delivering on a daily basis to the Company.

Nominations: Statements by an Applicant, an Applicant's Gas Marketer or a Gas Marketer acting on behalf of an Applicant of the volume of natural gas they will deliver to the Company in a day.

Nomination Time: Deadline time to accommodate changes made by the Company to its nomination for the day before and day of gas delivery to the Point of Acceptance.

Non Low Volume Consumer: A Person who consumes more than two thousand gigajoules of Gas per year.

Operational Flow Order (OFO): An order by the Company to any GTS user to increase or decrease the delivery of natural gas at the Point of Acceptance for a defined period of time.

Overrun: The amount of natural gas taken at a Terminal Location exceeding the Contract Demand.

Permit: A permit granted under the *Gas Distribution Act, 1999*.

Person: An individual, corporation, partnership, firm, joint venture, syndicate, association, trust, trustee, or other form of entity or organization.

Pipeline: Any pipe, system or arrangement of pipes wholly within the Province for distributing gas and all property and works of any kind used in connection therewith but does not include a pipeline for which a permit has been issued under the *Pipe Line Act* or a transmission line.

Point of Acceptance: The point at which the Company accepts delivery of a supply of natural gas for delivery to an Applicant or on behalf of an Applicant's Gas Marketer or on behalf of a Gas Marketer acting for an Applicant. Such point will be at the interconnection of the facilities of M&NP or a Local Gas Producer and the Company's natural gas Distribution System commonly referred to as a City Gate Station.

Province: The Province of New Brunswick.

Rate Schedule: A lettered and/or numbered rate of the Company as fixed or approved by the Board and in effect from time to time, as found in Part VIII of this Rates Handbook.

Service Classification or Gas Distribution Service Rate: The Rate Schedule(s) under which Distribution Service is taken by a Customer.

Supplier of Last Resort: A Person who sells or delivers natural gas when a Gas Marketer fails to supply gas to a Customer on a timely basis and no other Gas Marketer is able or willing to do so.

Handbook of Rates and Distribution Service

Terminal Location: The terminus of the Company's facilities, usually the meter. Terminal Location also reflects the point at which the custody of natural gas is transferred from the Company to the Applicant or Customer, the outlet side of the Company's metering facilities.

Transmission Line: A pipeline as defined in the *National Energy Board Act* (Canada).

CONVERSION FACTORS

Imperial Conversion Factors:

Volume:

1,000 cubic feet (cf) = 1 Mcf = 28.328 cubic metres (m³)

1 billion cubic feet (cf) = 28.328 10⁶m³

Pressure:

1 pound force per square inch (p.s.i) = 6.895 kilopascals (kPa)

1 inch Water Column (in W.C.) (15.5°C) = 0.249 kPa (15.5 C)

1 standard atmosphere = 101.325 kPa

Energy:

1 million British thermal units = 1 MMBtu = 1.0546 gigajoules (GJ)

948,213.3 Btu = 1 GJ

Monetary Value:

\$1 per Mcf = \$0.035 per m³

\$1 per MMBtu = \$0.948 GJ

Metric Conversion Factors:

Volume:

1 cubic metre (m³) = 35.300 cubic feet (cf)

1,000 cubic metres = 10³m³ = 35,300 cf = 35.300 Mcf

28.328 m³ = 1 Mcf

Pressure:

1 kilopascal (kPa) = 1,000 pascals = 0.145 pounds per square inch (p.s.i.)

101.325 kPa = one standard atmosphere

Energy:

1 megajoule (MJ) = 1,000,000 joules = 948.2133 British thermal units (Btu)

1 gigajoule (GJ) = 948,213.3 Btu

1.0546 GJ = 1 million British Thermal Units = 1 MMBtu

37.89 MJ = approximately 1 m³

Monetary Value:

\$1 per 10³m³ = \$0.028 per Mcf

\$1 per gigajoule = \$1.055 per MMBtu

RATE NUMBER
SGSRE

SMALL GENERAL SERVICE RESIDENTIAL ELECTRIC

APPLICABILITY

Small General Service Residential Electric Rate is applied to any Applicant who is the owner or tenant of a dwelling unit where the primary electric space heating and domestic hot water equipment was replaced with equipment using natural gas or any Applicant who is the owner or tenant of a dwelling unit that was built using natural gas equipment for heat and hot water requirements, requiring to use the Company's Distribution System to have a supply of natural gas transported to that single dwelling unit served through one meter.

RATE	
Monthly Distribution Customer Charge:	
\$ per month	16.00
Monthly Distribution Delivery Charge:	
For all volumes delivered per month (\$ per GJ)	7.6212

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

None.

Term of Service:

One (1) year with automatic annual renewal unless the Applicant notifies the Company thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of the Company's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for gas transported on and after January 1, 2007.

Amended: April 9, 2008

**RATE NUMBER
SGSRO**

SMALL GENERAL SERVICE RESIDENTIAL OIL

APPLICABILITY

Small General Service Residential Oil Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single dwelling unit served through one meter that does not meet the applicability requirements of the SGSRE Rate.

RATE	
Monthly Distribution Customer Charge:	
\$ per month	16.00
Monthly Distribution Delivery Charge:	
For all volumes delivered per month (\$ per GJ)	9.7456

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

None.

Term of Service:

One (1) year with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

**RATE NUMBER
SGSC**

SMALL GENERAL SERVICE COMMERCIAL

APPLICABILITY

Small General Service Commercial Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter that does not meet the applicability requirements of either the SGSRE or SGSRO Rate. Service under this rate schedule is limited to Applicants using less than 400 GJ per year.

RATE	
Monthly Distribution Customer Charge:	
\$ per month	16.00
Monthly Distribution Delivery Charge:	
For all volumes delivered per month (\$ per GJ)	9.3538

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

None.

Term of Service:

One (1) year with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

RATE NUMBER
GS

GENERAL SERVICE

APPLICABILITY

General Service Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants using more than 400 GJ but less than 2000 GJ per year.

RATE	
Monthly Distribution Customer Charge:	
\$ per month	16.00
Monthly Distribution Delivery Charge:	
For all volumes delivered per month (\$ per GJ)	9.6570

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

None.

Term of Service:

One (1) year with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

**RATE NUMBER
CGS**

CONTRACT GENERAL SERVICE

APPLICABILITY

Contract General Service Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants using more than 2000 GJ per year with a Contract Demand of not less than 6 GJ per day.

RATE	
Monthly Distribution Delivery Charge:	
Demand Charge per GJ of Contract Demand (\$ per GJ)	5.20
For all volumes delivered per month (\$ per GJ)	8.6291

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Billing Demand:

The Billing Demand shall be the Contract Demand. However, in the event that any Applicant exceeds such Contract Demand in the period of December 1 through March 31 of any contract year, Applicant's actual maximum daily demand between December 1 and March 31 shall be the Billing Demand for the entire applicable contract year. The Applicant will be charged, and shall pay, accordingly for both prospective use and for use since the beginning of the then current contract term. Authorized Overrun will not institute application of this ratchet provision.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Delivery Demand Charge.

Minimum Annual Charge:

The minimum annual charge will be imposed in the event the Applicant uses less than 2000 GJ per year and will equal the demand charges plus the difference between actual annual consumption and 2000 GJ billed at \$8.6291 per GJ.

Term of Service:

One year (1) with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule. At EGNB's option, each Applicant served under this Rate Schedule shall enter into a Service Agreement with EGNB.

**RATE NUMBER
CLGS-LFO**

CONTRACT LARGE GENERAL SERVICE LFO

APPLICABILITY

Contract Large General Service LFO Rate is applied to any Applicant whose alternate fuel is Light Fuel Oil (#2), Liquid Petroleum Gas, Kerosene or Electricity, requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants using more than 14,000 GJ per year who enter into a service contract with EGNB for a Contract Demand of not less than 40 GJ per day.

RATE	
Monthly Distribution Delivery Charge:	
Demand Charge per GJ of Contract Demand (\$ per GJ)	5.20
For the first 33,000 GJ delivered per month (\$ per GJ)	4.0861
For the next 25,000 GJ delivered per month (\$ per GJ)	0.1900
For volumes delivered in excess of 58,000 GJ per month (\$ per GJ)	0.0800

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A. EGNB may apply the Revenue Adjustment Rate Rider, in the same or different amounts, to any one or more of the Monthly Distribution Delivery Charges contained in the Rate Schedule.

Billing Demand:

The Billing Demand shall be the Contract Demand. However, in the event that any Applicant exceeds such Contract Demand in the period of December 1 through March 31 of any contract year, Applicant's actual maximum daily demand between December 1 and March 31 shall be the Billing Demand for the entire applicable contract year. The Applicant will be charged, and shall pay, accordingly for both prospective use and for use since the beginning of the then current contract term. Authorized Overrun will not institute application of this ratchet provision.

Minimum Monthly charge:

The minimum monthly charge shall be the Monthly Distribution Delivery Demand Charge.

Minimum Annual Charge:

The minimum annual charge will be imposed in the event the Applicant uses less than 14,000 GJ per year and will equal the demand charges plus the difference between actual annual consumption and 14,000 GJ billed at \$4.0861 per GJ.

Term of Service:

One year (1) with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule. Each Applicant served under this Rate Schedule shall enter into a Service Agreement with EGNB.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

Special Metering Provision:

For Applicants taking service under this Rate Schedule, EGNB shall install metering and communication devices, which will provide EGNB with hourly and daily consumption data.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

Special Metering Provision:

For Applicants taking service under this Rate Schedule, EGNB may install metering and communication devices, which will provide EGNB with hourly and daily consumption data.

**RATE NUMBER
OPS**

OFF PEAK SERVICE

APPLICABILITY

Off Peak Service Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter for the months of April through November. Service under this Rate Schedule is limited to Applicants using less than 2000 GJ for the applicable period.

RATE	Billing Month	
	December to March	April to November
Monthly Distribution Customer Charge:		
\$ per month	NA	12.00
Monthly Distribution Delivery Charge:		
For all volumes delivered per month (\$ per GJ)	NA	7.2428

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

None.

Seasonal Overrun Charge:

Any volume of gas consumed during the months of December through March inclusively will be subject to an additional Seasonal Overrun Charge of \$4.00 per GJ.

Term of Service:

One (1) year with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

**RATE NUMBER
CLVOPS**

CONTRACT LARGE VOLUME OFF PEAK SERVICE

APPLICABILITY

Contract Large Volume Off Peak Service Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter for the months of April through November. Service under this Rate Schedule is limited to Applicants using more than 2000 GJ for the applicable period who enter into a service contract with EGNB.

RATE	Billing Month	
	December to March	April to November
Monthly Distribution Delivery Charge:		
Demand Charge per GJ of Contract Demand (\$ per GJ)	NA	3.90
For all volumes delivered per month (\$ per GJ)	NA	6.4718

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Billing Demand:

The Billing Demand shall be the Contract Demand. However, in the event that any Applicant exceeds such Contract Demand in the period of April 1 through November 30 of any contract year, Applicant's actual maximum daily demand between April 1 and November 30 shall be the Billing Demand for the entire applicable contract year. The Applicant will be charged, and shall pay, accordingly for both prospective use and for use since the beginning of the then current contract term. Authorized Overrun will not institute application of this ratchet provision.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Delivery Demand Charge.

Minimum Annual Charge:

The minimum annual charge will be imposed in the event the Applicant uses less than 2000 GJ per year and will equal the demand charges plus the difference between actual use and 2000 GJ billed at \$6.4718 per GJ.

Seasonal Overrun Charge:

Any volume of gas consumed during the months of December through March inclusively will be subject to an additional Seasonal Overrun Charge of \$4.00 per GJ.

Term of Service:

One (1) year with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the anniversary date that service is to be discontinued.

**RATE NUMBER
CLGS-HFO**

CONTRACT LARGE GENERAL SERVICE HFO

APPLICABILITY

Contract Large General Service HFO Rate is applied to any Applicant, whose alternate fuel is other than Light Fuel Oil (#2), Liquid Petroleum Gas, Kerosene or Electricity, requiring to use the Company's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter. Service under this rate schedule is limited to Applicants using more than 14,000 GJ per year who enter into a service contract with the Company for a Contract Demand of not less than 40 GJ per day.

RATE	
Monthly Distribution Delivery Charge:	
Demand Charge per GJ of Contract Demand (\$ per GJ)	3.90
For all volumes delivered per month (\$ per GJ)	0.0860

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Billing Demand:

The Billing Demand shall be the Contract Demand. However, in the event that any Applicant exceeds such Contract Demand in the period of December 1 through March 31 of any contract year, Applicant's actual maximum daily demand between December 1 and March 31 shall be the Billing Demand for the entire applicable contract year. The Applicant will be charged, and shall pay, accordingly for both prospective use and for use since the beginning of the then current contract term. Authorized Overrun will not institute application of this ratchet provision.

Minimum Monthly charge:

The minimum monthly charge shall be the Monthly Distribution Delivery Demand Charge.

Minimum Annual Charge:

The minimum annual charge will be imposed in the event the Applicant uses less than 14,000 GJ per year and will equal the demand charges plus the difference between actual annual consumption and 14,000 GJ billed at \$0.0860 per GJ.

Term of Service:

One year (1) with automatic annual renewal unless the Applicant notifies the Company thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule. Each Applicant served under this Rate Schedule shall enter into a Service Agreement with EGNB.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

Special Metering Provisions:

For Applicants taking service under this Rate Schedule, EGNB may install metering and communication devices, which will provide EGNB with hourly and daily consumption data.

**RATE NUMBER
NGVF**

NATURAL GAS VEHICLE FUELING

APPLICABILITY

Natural Gas Vehicle Fueling Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas transported to a single Terminal Location served through one meter where such gas is to be sold as authorized by the appropriate regulatory agency. Service under this Rate Schedule is limited to Applicants using more than 400 GJ per year.

RATE	
Monthly Distribution Customer Charge:	
\$ per month	16.00
Monthly Distribution Delivery Charge:	
For all volumes delivered per month (\$ per GJ)	9.6570

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

The minimum annual charge will be imposed in the event the Applicant uses less than 400 GJ per year and will be equal to the customer charges plus the difference between actual use and 400 GJ billed at \$9.6570 per GJ.

Term of Service:

One (1) year with automatic annual renewal unless the Applicant notifies EGNB thirty (30) days prior to the annual roll over date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of EGNB's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for gas transported on and after April 10, 2008.

Terms and Conditions of Service:

The provisions of Parts II, III, IV, V, VI and VII of the Company's **Handbook of Rates and Distribution Services** apply, as contemplated therein, to service under this Rate Schedule. Each Applicant served under this Rate Schedule shall enter into a Service Agreement with the Company.

Effective Date:

To apply to all bills rendered for gas transported on and after October 1, 2000.

Special Metering Provision:

For Applicants taking service under this Rate Schedule, the Company shall install metering and communication devices, which will provide the Company with hourly and daily consumption data.

Schedule "A"

REVENUE ADJUSTMENT RATE RIDER

The following adjustments shall be applicable to gas consumed on and after August 1, 2009:

<u>Rate Class</u>	<u>Approved Delivery Rate (\$/GJ)</u>	<u>Rate Reduction (\$/GJ)</u>	<u>Reduced or Reinstated Delivery Rate (\$/GJ)</u>
Small General Service Residential Electric (SGSRE)	7.6212	0.0000	7.6212
Small General Service Residential Oil (SGSRO)	9.7456	0.0000	9.7456
Small General Service Commercial (SGSRC)	9.3538	0.0000	9.3538
General Service (GS)	9.6570	0.0000	9.6570
Contract General Service (CGS)	8.6291	0.0000	8.6291
Contract Large General Service LFO (LFO)	4.0861	0.0000	4.0861
Contract Large Volume Off Peak Service (CLVOPS)	6.4718	0.0000	6.4718
Off Peak Service (OPS)	7.2428	0.0000	7.2428
Natural Gas Vehicle Fueling (NGVF)	9.6570	0.0000	9.6570