

Transportation Tariff

STS-L TOLL SCHEDULE

STORAGE TRANSPORTATION SERVICE-[LINKED](#)

STS-L TOLL SCHEDULE

INDEX

Section	Sheet No.
1. AVAILABILITY.....	1
2. APPLICABILITY AND CHARACTER OF SERVICE.....	42
3. MONTHLY BILL.....	53
4. MINIMUM BILL.....	84
5. ASSIGNMENT	8
56. RENEWAL RIGHTS.....	104
67. MISCELLANEOUS PROVISIONS.....	116

Transportation Tariff

~~STS~~STS-L TOLL SCHEDULE

1. AVAILABILITY

1.1 Any Shipper shall be eligible to receive service pursuant to this Storage Transportation Service-Linked ("STS-L") Toll Schedule, provided such Shipper:

- (a) ~~has entered into a firm transportation contract(s) with TransCanada (the "FT Contract(s)");~~
- (ba) has entered into a STS-L storage transportation service-C contract having a minimum term of one (1) year with TransCanada incorporating this STS-L Toll Schedule and providing for transportation service between the Market Point and the Storage Injection Delivery Point(s) therein provided and for transportation service between the Storage Withdrawal Point and the Market delivery pPoint(s) provided in the FT Contract(s) (the "FT Delivery Point(s)") (the "STS Contract");
- (b) has not executed a STS Contract with the same Market Point as specified in the STS-L Contract;
- (c) has its own gas storage facilities, or has entered into a gas storage contract with any company having gas storage facilities which are connected by gas transmission pipeline facilities to TransCanada's gas transmission system at the Storage Injection Point(s) and the Storage Withdrawal Point ~~a point(s)~~ located downstream of the Alberta/ Saskatchewan border ~~(the "Storage Delivery Point(s)");~~
- (d) has entered into a gas transportation contract(s) with the company(ies) operating ~~the~~ gas transmission pipeline facilities ~~linking~~ connecting ~~the~~ such gas storage facilities with TransCanada's gas transmission system at the Storage Delivery Injection Point(s) and the Storage Withdrawal Point (the "other Transporters"); and
- (e) has provided TransCanada with financial assurances as required by TransCanada pursuant to Section XXIII of the General Terms and Conditions referred to in Section ~~6-7~~ hereof.

1.2 Facilities Construction Policy

Effective Date: ~~August 26, 2003~~ Draft Date: February 4, 2005 (STS-L)

For discussion purposes at the TTF; Privilege, confidential and without prejudice

Sheet No. 1

Transportation Tariff

~~STS~~ STS-L TOLL SCHEDULE

In order to provide service pursuant to this STS-L Toll Schedule, TransCanada utilizes capacity available from its own gas transmission system and from its firm transportation service entitlement on the Great Lakes Gas Transmission Company system, the Union Gas Limited system, and the Trans Quebec & Maritimes Pipeline Inc. system (the "Combined Capacity"). If a request for service pursuant to this STS-L Toll Schedule (the "Requested Service") requires an increase to the Combined Capacity, TransCanada is prepared to use all reasonable efforts to enable it to increase the Combined Capacity to the extent necessary provided that:

- (a) there is reasonable expectation of a long term requirement for the increase in the Combined Capacity; and
- (b) the NEB approves the additional facilities and/or transportation services necessary to increase the Combined Capacity; and
- (c) the availability provisions of sub-Section 1.1 hereof are satisfied with respect to the Requested Service.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 On each day during the term of the ~~STS~~ STS-L Contract, Shipper shall be entitled to request service hereunder by placing a nomination with TransCanada. Nominations shall be made pursuant to Section XXII of the General Terms and Conditions referred to in Section ~~76~~ 76 hereof. Service hereunder shall not be subject to curtailment or interruption except as provided in ~~Section 2.3 hereof and in~~ Sections XI, XIV, and XV of the General Terms and Conditions.

Subject to the foregoing, TransCanada shall provide firm transportation service hereunder consistent with the provisions of the General Terms and Conditions; PROVIDED HOWEVER, that

- (a) deliveries hereunder by TransCanada to Shipper on any day from the Market Point to the Storage Injection Point(s) shall not exceed the Daily Operational Injection Quantity;
- (ba) deliveries hereunder by TransCanada to Shipper on any day at ~~from~~ the Storage Withdrawal Delivery Point(s) to the Market Point shall not exceed the Daily Contract Operational Withdrawal Quantity; ~~difference between the total of the Contract~~

Effective Date: ~~August 26, 2003~~ Draft Date: February 4, 2005 (STS-L)

For discussion purposes at the TTF; Privilege, confidential and without prejudice

Sheet No. 2

Transportation Tariff

~~STS~~ STS-L TOLL SCHEDULE

~~Demands under the FT Contracts and the total quantities delivered on such day to Shipper under the FT Contracts at the FT Delivery Point(s); and;~~

(c) Daily Operational Withdrawal Quantity and Daily Operational Injection Quantity shall be established on a monthly basis provided that new or revised Exhibit "B" of the STS-L Contract are received 10 business days prior to the 1st day of the applicable month; and

(b) if there is more than one ~~Storage Delivery Point~~ Storage Injection Point under Shipper's ~~STS~~ STS-L Contract and these points are also included under any other ~~s~~ Shippers' STS STS-L and/or STS Contracts, deliveries on any day to Shipper at each such Storage Injection Point shall be Shipper's pro rata share of the total ~~STS~~ STS-L and STS deliveries at such Storage Injection Point for all ~~STS~~ STS-L and STS ~~S~~ shippers on such day determined on the basis of the fraction which Shipper's ~~STS~~ STS-L nomination bears to the total of the ~~STS~~ STS-L and STS nominations of all ~~STS~~ STS-L and STS ~~S~~ shippers, unless TransCanada, Shipper and all the other ~~STS~~ STS-L and STS ~~S~~ shippers at each such Storage Injection Point otherwise agree.

2.2 For the purpose of the application of the provisions of Sections II, III, and IV of the General Terms and Conditions to service hereunder:

(a) when Shipper requests transportation service hereunder ~~for delivery at~~ from the Market Point for delivery to the ~~Storage Delivery~~ Injection Point(s), the terms "dDelivery pPoint", "rReceipt pPoint", and "Shipper's Authorized Quantity" in TransCanada's General Terms & Conditions shall mean herein, respectively, the '~~Storage Delivery~~ Injection Point(s)', 'the Market ~~FT Delivery~~ Point(s)', and 'the quantity of gas which Shipper requests and that TransCanada has agreed to deliver to the ~~Storage Delivery~~ Injection Point(s) subject to sub-Section 2.1 hereof (the "Daily ~~Storage~~ Injection Quantity");

(b) when Shipper requests transportation service hereunder from the Storage Withdrawal ~~Delivery~~ Point(s) for delivery to the ~~FT Delivery~~ Market Point(s), the terms "dDelivery pPoint", "rReceipt pPoint", and "Shipper's Authorized Quantity" shall mean, respectively, 'the ~~FT Delivery~~ Market Point(s)', 'the Storage Withdrawal ~~Delivery~~ Point (s)', and 'the quantity of gas which Shipper requests and TransCanada has agreed to deliver to the

Transportation Tariff

~~STS~~STS-L TOLL SCHEDULE

Market Point subject to sub-Section 2.1 hereof shall cause to be delivered by the other Transporter to TransCanada at the Storage Delivery Point(s) (the "Daily Withdrawal Quantity"); and

- (c) if the ~~STS~~STS-L Contract specifies a Storage- Withdrawal Delivery Point(s) located upstream of the FT Delivery Market Point(s), the STS Contract shall set out a Contract Demand in respect of shall be the Daily Contract Withdrawal Quantity; transportation from each of the upstream Delivery Point(s) to the FT Delivery(s) and, if the ~~STS~~STS-L Contract specifies a Storage- Injection Delivery Point(s) located downstream of the FT Delivery Market Point(s), the STS Contract shall set out a Contract Demand in respect of shall be the Daily Contract Injection Quantity transportation from the FT Delivery(s) to each of the downstream Delivery Point(s).

~~TransCanada shall not be obligated to transport on any day a quantity of gas under the STS Contract in excess of the applicable Contract Demand, nor to accept from Shipper at the Storage Delivery Point(s) for transportation to FT Delivery Point(s) located upstream of the Storage Delivery Point(s) a quantity exceeding the difference between the total of the Daily Storage Quantities transported by TransCanada for Shipper to the Storage Delivery Point(s) up to such point in time and the total of the Daily Withdrawal Quantities already accepted by TransCanada for transportation to such upstream Point(s) up to such point in time.~~

~~2.3 Deliveries requested by Shipper hereunder in excess of Shipper's Contract Demand under the STS Contract shall only be made by TransCanada on a best efforts basis and TransCanada, in its sole discretion, may curtail or interrupt these excess deliveries and the corresponding Shipper's Authorized Quantities at any time.~~

~~2.4 Notwithstanding any other provision hereof, the Daily Storage Quantity shall be deemed to be delivered on such day at the FT Delivery Point(s), and Shipper shall pay for such quantities pursuant to the FT Contracts. Such payment shall be in addition to all payments hereunder.~~

Transportation Tariff

ST~~S~~STS-L TOLL SCHEDULE

3. MONTHLY BILL

3.1 The monthly bill payable by Shipper to TransCanada for service hereunder shall include the demand charge and the commodity charge for transportation service, plus, where applicable, [an excess withdrawal charge](#), a delivery pressure charge in effect during the billing month ~~and; such charges~~ shall be calculated by applying the applicable tolls as approved by the NEB (as set forth in the List of Tolls referred to in Section ~~5-7~~ hereof), as follows:

(a) **Demand Charge**

For each month of a Contract Year, the demand charge for transportation service hereunder shall be equal to the applicable Monthly Demand Toll multiplied by Shipper's Contract Demand. The said demand charge is payable by Shipper notwithstanding any failure by Shipper during such month, for any reason whatever, including an event of force majeure, to [receive or](#) deliver Shipper's full Contract Demand ~~to TransCanada at the Storage-Delivery Point~~

(b) **Commodity Charge**

For each month of a Contract Year, the commodity charge payable shall be equal to the Commodity Toll multiplied by [the sum of](#) Shipper's total Daily ~~Storage-Injection~~ Quantity [and total Daily Withdrawal Quantity](#) for such month.

(c) [Excess Withdrawal Charge](#)

[The "Daily Excess Withdrawal Quantity" shall mean, for any Day, the quantity by which Shipper's cumulative Daily Withdrawal Quantity, determined from the Date of Commencement \(as defined in the STS-L Contract\) exceeds the sum of the cumulative Daily Injection Quantity from the Date of Commencement, the cumulative Daily STFT Quantity from the Date of Commencement, and the cumulative Daily IT Quantity from the Date of Commencement. ~~The Daily Excess Withdrawal Quantity" shall mean, for any Day, the quantity by which Shipper's cumulative Daily Withdrawal Quantity, determined from the Date of Commencement \(as defined in the STS-L Contract\), exceeds the~~](#)

Transportation Tariff

~~STS~~ STS-L TOLL SCHEDULE

~~cumulative Daily Injection Quantity, from the Date of Commencement of the STS-L Contract.~~

Where:

Shipper's cumulative Daily Withdrawal Quantity shall not include any Daily Excess Withdrawal Quantities from any previous Day;

"Daily STFT Quantity" shall mean the quantity of gas that is delivered each Day by the STS Shipper pursuant to such Shipper's STFT Contract from the Market Point to the Storage Injection Point; and

"Daily IT Quantity" shall mean the quantity of gas that is delivered each Day by the STS Shipper pursuant to such Shipper's IT Contract from the Market Point to the Storage Injection Point.

On any Day, the sum of the Daily STFT Quantity and the Daily IT Quantity shall not exceed the Shipper's pro-rata share of the total Contract Demand, on that Day, of FT Contracts that:

- (i.) are not identified in a STS or STS-L Contract;
- (ii.) have a receipt point that is Empress or a receipt point in the province of Saskatchewan; and
- (iii.) have a delivery point which is the same as the Market Point in the Shipper's STS-L Contract.

The pro-rata share shall be based on Shipper's STS-L Contract Demand at that Market Point, relative to the total STS and STS-L Contract Demand applicable to that Market Point.

Transportation Tariff

ST~~S~~STS-L TOLL SCHEDULE

For each month Shipper shall pay to TransCanada an excess withdrawal charge as follows:

i. If the STS-L Contract specifies a Storage Withdrawal Point located downstream of the Market Point, the excess withdrawal charge shall be:

- the total Daily Excess Withdrawal Quantity for such month; multiplied by
- 1.325 x 100% load factor FT Toll from the Storage Withdrawal Point to the Market Point ; or

ii. If the STS-L Contract specifies a Storage Withdrawal Point located upstream of the Market Point, the excess withdrawal charge shall be:

- the total Daily Excess Withdrawal Quantity for such month; multiplied by
- the difference between 1.325 x 100% load factor FT Toll from the Storage Withdrawal Point to the Market Point and the 100% load factor STS-L Toll,

(de) Delivery Pressure Charge

A delivery pressure charge shall be due if a portion or all of Shipper's Daily ~~Storage Injection~~ Quantity or Daily Withdrawal Quantity for such month was delivered at a Storage ~~Delivery P~~point(s) having a delivery pressure charge for deliveries thereto. The monthly delivery pressure charge at each ~~Storage Delivery P~~point having a delivery pressure charge shall be the product of the applicable Delivery Pressure Toll (expressed in \$/GJ) and the total of such ~~Shipper's Daily Storage Q~~uantities delivered at that ~~Storage Delivery P~~point during such month. The total monthly delivery pressure charge shall be the sum of the monthly delivery pressure charges at all applicable ~~Storage Delivery P~~oints.

(d) ~~Overrun Charge~~

~~For excess deliveries made pursuant to Section 2.3 hereof, Shipper shall, in addition to the commodity charge provided in Section 3.1(b) hereof, pay to TransCanada a charge~~

Effective Date: ~~August 26, 2003~~ Draft Date: February 4, 2005 (STS-L)

For discussion purposes at the TTF; Privilege, confidential and without prejudice

Sheet No. 7

Transportation Tariff

~~STS~~STS-L TOLL SCHEDULE

~~determined by multiplying the applicable Daily Demand Toll by the total of such excess deliveries for such month. For this purpose, the Daily Demand Toll shall be determined by multiplying the applicable Monthly Demand Toll by twelve (12) and dividing the resultant product by three hundred and sixty five (365).~~

(e) **Fuel**

For each month, a Shipper shall provide, on a daily basis, a quantity of fuel in accordance with Section IV of the General Terms and Conditions~~based on a monthly fuel ratio to be established by TransCanada.~~

4. **MINIMUM BILL**

4.1 The minimum monthly bill for service hereunder shall be the demand charge determined in paragraph 3.1(a) hereof.

5 **ASSIGNMENT**

Transportation Tariff

~~STS~~STS-L TOLL SCHEDULE

5.1 Subject to sub-Section 5.2, any company which shall succeed by purchase, merger or consolidation to the properties, substantially or in entirety, of Shipper or of TransCanada, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under any Contract into which this Toll Schedule is incorporated and any related contracts. Further, either Shipper or TransCanada may, without relieving itself of its obligations under any Contract into which this Toll Schedule is incorporated (unless consented to by the other party which consent shall not be unreasonably withheld), assign any of its rights and obligations thereunder to another party. Nothing herein shall in any way prevent either party to such Contract from pledging or mortgaging its rights thereunder as security for its indebtedness. Such Contract shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties thereto. No assignment hereunder in respect of a service which has already resulted in a reduction of the affected distributor's Contract Demand shall entitle such distributor to any further reduction in its Contract Demand.

5.2 Any assignment by Shipper is subject to the following conditions:

- (a) the assignment shall be for the remaining term of the STS-L Contract;
- (b) Shipper shall provide TransCanada with at least 60 days written notice of such assignment prior to the requested assignment date, which shall be the first day of a calendar month;
- (c) assignee and assignor shall execute TransCanada's assignment agreement; and
- (d) if the assignment is for total Contract Demand, assignor's cumulative Daily Injection Quantity, cumulative Daily STFT Quantity, cumulative Daily IT Quantity, cumulative Daily Withdrawal Quantity and aggregate Daily Excess Withdrawal Quantity shall as of the effective date of the assignment be transferred to the assignee;

or

Transportation Tariff

~~STS~~STS-L TOLL SCHEDULE

(e) — if the assignment is for a portion of the Contract Demand, assignor's cumulative Daily Injection Quantity, cumulative Daily STFT Quantity, cumulative Daily IT Quantity, cumulative Daily Withdrawal Quantity, and aggregate Daily Excess Withdrawal Quantity shall as of the effective date of the assignment shall be transferred to the assignee on a pro-rata basis relative to the STS-L Contract Demand prior to such assignment.

5.3 Assignments at a discount negotiated between assignors and assignees are permitted, provided that the approved toll continues to be paid to TransCanada.

5.4 Save as herein provided, assignments of any Contracts into which this Toll Schedule is incorporated are expressly prohibited.

5.5 Prior to the effective date of any assignment of any Contract subject to sub-Section XXIII(3)(b) of the General Terms and Conditions of TransCanada's Tariff, assignee shall as requested by TransCanada, execute an assignment of any related Financial Assurances Agreements (as defined in Section 4.4(c)(ii) of the Transportation Access Procedure) or execute a new Financial Assurances Agreement.

65. RENEWAL RIGHTS

65.1 Pursuant to any Contract into which this ~~STS~~STS-L Toll Schedule is incorporated and which contract has been determined by TransCanada to be serving a long term market, and subject to the following conditions, Shipper shall have the option (the "Renewal Option") of extending the existing term (the "Existing Term") of the Contract for a period of no less than one (1) year (the "Renewal Term") and revising the Contract Demand to a level no greater than the Contract Demand set out in the Contract provided that the following conditions are met:

- (a) TransCanada receives written notice from Shipper of Shipper's election to exercise the Renewal Option which sets out the term and Contract Demand of such renewal (the "Renewal Provisions" no less than six (6) months before the termination date which would otherwise prevail under the Contract; and
- (b) Shipper supplies TransCanada at the time of such notice with evidence satisfactory to TransCanada that Shipper will meet the availability provisions of the ~~STS~~STS-L Toll

~~Effective Date: August 26, 2003~~ Draft Date: February 4, 2005 (STS-L)

For discussion purposes at the TTF; Privilege, confidential and without prejudice

Sheet No. 10

Transportation Tariff

~~STS~~[STS-L](#) TOLL SCHEDULE

Schedule in respect of the Renewal Provisions prior to the commencement of the Renewal Term.

TransCanada may accept late notice of Shipper's election to exercise the Renewal Option if TransCanada, in its sole discretion, determines that TransCanada will have the required capacity available after providing capacity for all of TransCanada's obligations pursuant to prior outstanding requests from Shipper and/or others, that such renewals will not adversely impact TransCanada's system operations and that all of the costs for providing this service will be covered by TransCanada's tolls. Contracts may be revised as of the effective renewal date to adhere to the then contract Pro Forma ~~Storage Transportation Service~~[STS-L](#) Contract.

Shipper may exercise the Renewal Option more than one time provided that the conditions found in this Section 5.1 and in Section 5.2 hereof are met upon each and every exercise of the Renewal Option.

[65.2](#) Provided TransCanada has either received time notice as provided in Section 5.1(a) above from Shipper of Shipper's election to exercise the Renewal Option, or accepted late notice from Shipper of his election to exercise the Renewal Option, and provided that Shipper has met the availability provisions of the ~~STS~~[STS-L](#) Toll Schedule in respect of the Renewal Provision, the Contract shall be amended as follows:

- (a) the Contract Demand set out in the Contract shall be revised to the level specified in the Renewal Provisions, effective as of the commencement of the Renewal Term; and
- (b) the term of the contract shall be extended to that specified in the Renewal Provision, effective as of the expiry of the Existing Term.

[76.](#) MISCELLANEOUS PROVISIONS

[76.1](#) The General Terms and Conditions and the List of Tolls of TransCanada's Transportation Tariff as amended from time to time are applicable to this Toll Schedule and are hereby made a part hereof. If there is any conflict between the provisions of this Toll Schedule and the General Terms and Conditions, the provisions of this Toll Schedule shall prevail.

Effective Date: ~~August 26, 2003~~ [Draft Date: February 4, 2005 \(STS-L\)](#)

[For discussion purposes at the TTF; Privilege, confidential and without prejudice](#)

Sheet No. 11

Transportation Tariff

ST~~S~~[STS-L](#) TOLL SCHEDULE

[76.2](#) This Toll Schedule the List of Tolls and the General Terms and Conditions are subject to the provisions of the National Energy Board Act or any other legislation passed in amendment thereof or substitution therefor.

Transportation Tariff

STS-L CONTRACT

STORAGE TRANSPORTATION SERVICE-LINKED CONTRACT

THIS CONTRACT FOR STORAGE TRANSPORTATION SERVICE-LINKED-, made as of the _____ day of _____ 20____.

BETWEEN:

TRANSCANADA PIPELINES LIMITED
a Canadian corporation
("TransCanada")

OF THE FIRST PART

and

a Company incorporated under the laws of

("Shipper")

OF THE SECOND PART

WITNESSES THAT:

WHEREAS TransCanada owns and operates a natural gas pipeline system extending from a point near the Alberta/Saskatchewan border where TransCanada's facilities interconnect with the facilities of NOVA Corporation of Alberta easterly to the Province of Quebec with branch lines extending to various points on the International Border; and

WHEREAS TransCanada provides firm transportation service to Shipper in the _____ Delivery Area(s) under (an) FS Contract(s) dated _____ (the "FS Contract"); and from Empress, Alberta or in the province of Saskatchewan to the Market Point, for parties listed in Exhibit "B" ("The Linked FT Contract(s)"); and

WHEREAS Shipper has entered into storage arrangements for the storage of gas; and

WHEREAS Shipper has entered into ~~storage and transportation arrangements~~ with _____, other Transporter, with Union Gas Limited ("Union") (and _____) whereby Union (and _____) will accept gas delivered on Shipper's behalf by TransCanada at the Dawn and/or Parkway-Union delivery points described in Exhibit "A" hereto for storage and Union will deliver gas to TransCanada from storage at Parkway-Union on Shipper's behalf; and whereby other Transporter will accept gas delivered on Shipper's behalf by TransCanada at the Storage Injection Point(s) for

Transportation Tariff

STS-L CONTRACT

[transportation to storage, and other Transporter will deliver gas to TransCanada from storage at Storage Withdrawal Point on Shipper's behalf; and](#)

Insert A

NOW THEREFORE THIS CONTRACT WITNESSES THAT, in consideration of the covenants and agreement herein contained, the parties hereto covenant and agree as follows:

ARTICLE I - COMMENCEMENT OF SERVICE

Insert B

ARTICLE II - GAS TO BE TRANSPORTED

Insert C

ARTICLE III - ~~DELIVERY POINT AND RECEIPT POINT~~ [MARKET POINT AND STORAGE POINT\(S\)](#)

3.1 The ~~points~~[point](#) at which the gas is to be delivered hereunder ~~from storage~~ by TransCanada to Shipper in the _____ Delivery Area(s) ~~are~~ [is](#) the ~~delivery points~~[Market Point specified in Exhibit "A" specified in the FS Contract](#). The ~~points~~[point](#) at which the gas is to be delivered by TransCanada on Shipper's behalf ~~to Union for to storage~~ ~~are~~ [is \(are\)](#) the ~~Storage Delivery Points~~[Injection Point\(s\) specified in Exhibit "A"](#). ~~The point at which the gas is to be delivered from storage to TransCanada on Shipper's behalf is Parkway Union.~~ [The point at which gas is removed from storage for delivery to the Market Point is the Storage Withdrawal Point specified in Exhibit "A"](#)

ARTICLE IV - TOLLS

4.1 Shipper shall pay for all transportation service hereunder from the Date of Commencement in accordance with TransCanada's ~~Storage Transportation Service Toll Schedule~~ (the "STS-L Toll Schedule"), List of Tolls, and General Terms and Conditions set out in TransCanada's Transportation Tariff as same may be amended or approved from time to time by the NEB.

4.2 Shipper's obligation to pay for service hereunder shall continue throughout the term of this Contract notwithstanding that Shipper's right to store gas may have been suspended, terminated, or is otherwise not available to Shipper.

Transportation Tariff

STS-L CONTRACT

ARTICLE V - TERM OF CONTRACT

5.1 This Contract shall be effective from the date hereof and shall continue until _____, _____.

ARTICLE VI - NOTICES

6.1 Any notice, request, demand, statement or bill (for the purpose of this paragraph, collectively referred to as "Notice") to or upon the respective parties hereto shall be in writing and shall be directed as follows:

IN THE CASE OF TRANSCANADA: TransCanada PipeLines Limited

- (i) mailing address: P.O. Box 1000
Station M
Calgary, Alberta
T2P 4K5
- (ii) delivery address: TransCanada Tower
450 – 1st Street S.W.
Calgary, Alberta
T2P 5H1

Attention: Director, Customer Service
Telecopy: (403) 920-2446
- (iii) nominations: Attention: Manager, Nominations & Allocations
Telecopy: (403) 920-7473
- (iv) bills: Attention: Manager, Contracts & Billing
Telecopy: (403) 920-2384
- (v) other matters: Attention: Director, Customer Service
Telecopy: (403) 920-2446

IN THE CASE OF SHIPPER:

- (i) mailing address: _____

- (ii) delivery address: _____

- (iii) nominations: Attention: _____
Telecopy: _____
- (iv) bills: Attention: _____
Telecopy: _____

Transportation TariffSTS-L CONTRACT

(v) other matters:

E-mail address: _____

Attention: _____

Telecopy: _____

Notice may be given by telecopier or other telecommunication device and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event regular mail service, courier service, telecopier or other telecommunication service shall be interrupted by a cause beyond the control of the parties hereto, then the party sending the Notice shall utilize any service that has not been so interrupted to deliver such Notice. Each party shall provide Notice to the other of any change of address for the purposes hereof. Any Notice may also be given by telephone followed immediately by personal delivery, courier, prepaid mail, telecopier or other telecommunication, and any Notice so given shall be deemed to be given as of the date and time of the telephone notice.

ARTICLE VII - MISCELLANEOUS PROVISIONS

7.1 The STS-L Toll Schedule, the List of Tolls, and the General Terms and Conditions set out in TransCanada's Transportation Tariff as amended or approved from time to time by the NEB are all by reference made a part of this Contract and operations hereunder shall, in addition to the terms and conditions of this Contract, be subject to the provisions thereof. TransCanada shall notify Shipper at any time that TransCanada files with the NEB revisions to the General Terms and Conditions, the List of Tolls, and/or the STS-L Toll Schedule (the "Revisions") and shall provide Shipper with a copy of the Revisions.

7.2 The headings used throughout this Contract, the STS-L Toll Schedule, the List of Tolls, and the General Terms and Conditions are inserted for convenience of reference only and are not to be considered or taken into account in construing the terms or provisions thereof nor to be deemed in any way to qualify, modify or explain the effect of any such provisions or terms.

7.3 This Contract shall be construed and applied, and be subject to -the laws of the Province of _____ Alberta, and, when applicable, the laws of Canada, and shall be subject to the rules, regulations and orders of any regulatory or legislative authority having jurisdiction.

Transportation Tariff

STS-L CONTRACT

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first above written.

TRANSCANADA PIPELINES LIMITED

per _____

per _____

.....

per _____

per _____

Transportation Tariff

STS-L CONTRACT

EXHIBIT "A"

This is EXHIBIT "A" to the CONTRACT for STORAGE TRANSPORTATION SERVICE-LINKED , made as of the _____ day of _____, 1920, between TRANSCANADA PIPELINES LIMITED ("TransCanada") and _____.

~~The Storage Delivery Points hereunder are located as follows:~~

~~**Dawn:**~~

~~_____ At the junction of the facilities of TransCanada and Union adjacent to Union's Compressor Station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn, in the County of Lambton.~~

~~**Parkway-Union:**~~

~~_____ At the junction of the facilities of TransCanada and Union in Part of Lot Ten (10), Concession Nine (9), New Survey, in the Town of Milton, in the Regional Municipality of Halton.~~

The storage injection point(s) hereunder is(are) the point(s) of interconnection between the pipeline facilities of TransCanada and _____ which is located at: _____ (the "Storage Injection Point')

The storage withdrawal point hereunder is the point of interconnection between the pipeline facilities of TransCanada and _____ which is located at: _____ (the "Storage Withdrawal Point")

The market point hereunder is the point of interconnection between the pipeline facilities of TransCanada and _____ which is located at: _____ (the "Market Point")



Transportation Tariff

STS-L CONTRACT

EXHIBIT "B"

This is EXHIBIT "B" to the CONTRACT for STORAGE TRANSPORTATION SERVICE-LINKED , made as of the _____ day of _____, 20____, between TRANSCANADA PIPELINES LIMITED ("TransCanada") and _____.

The Linked FT Contract(s) to this STS-L Contract are as follows:

The FT Contract, dated _____ between TransCanada and FT Shipper _____ identified by the TransCanada contract identifier as _____

The FT Shipper and the STS-L Shipper each hereby agrees and acknowledges that during the period between the first Day of _____ 20____ until the last Day of _____ 20____, (the "Linked Term")

TransCanada shall be entitled to use all Contract Demand under the Linked FT Contract for the purpose of determining the STS-L Shipper's Daily Operational Injection Quantity.

FT Shipper hereby agrees and acknowledges that if the STS-L Shipper assigns all of this STS-L Contract to another party, then this Exhibit "B" shall remain effective for the Linked Term herein.

IN WITNESS WHEREOF, the parties hereto have signed this Exhibit "B" on _____ day of _____, 20____

TRANSCANADA PIPELINES LIMITED

STS-L Shipper

per: _____

per: _____

per: _____

per: _____

FT Shipper

per: _____

per: _____



Transportation Tariff

STS-L CONTRACT

DIFFERENT CONTRACT VERSIONS

I Market is ~~Downstream Transport From Storage - Precedent Agreement Signed~~

Insert A

WHEREAS the Market Point is located downstream of the Storage Withdrawal Point; and

~~WHEREAS Shipper desires from time to time to have quantities of gas, otherwise deliverable under Shipper's FS Contract at the delivery points specified thereunder, delivered at Dawn and/or Parkway Union (in this context the "Storage Delivery Points") for transportation by Union to storage; and~~

WHEREAS Shipper desires from time to time to have quantities of gas delivered on a firm basis from the Market Point to the Storage Injection Point(s); and

~~WHEREAS Shipper proposes during each period from November 1 to April 15 (the "Winter Period") during the term hereof to have Union transport certain quantities of gas that are withdrawn from storage to Parkway Union for delivery to TransCanada, and to have TransCanada transport such quantities of gas from Parkway Union the Storage Withdrawal Point for delivery to Shipper in at the Market Point the _____ Delivery Area(s) on a firm basis, in order to enable Shipper to better meet the needs of its markets; and~~

~~WHEREAS the parties hereto have heretofore entered into an agreement (the "Precedent Agreement") which binds them, subject to the fulfillment or waiver of the conditions precedent therein set forth, to enter into an Agreement substantially upon the terms and conditions hereinafter described; and~~

~~WHEREAS the conditions precedent of the Precedent Agreement have been satisfied or waived.~~

Insert B

1.1 TransCanada shall use reasonable efforts to have such additional facilities (and/or obtain such transportation arrangements on other gas transmission systems) as may be required to effect the transportation of the gas hereunder (the "Necessary Capacity") in place by _____, _____ or such later date that may result due to a) the timing of the receipt by TransCanada and/or other parties requiring same of the authorizations from the National Energy Board ("NEB") and/or other agencies



Transportation Tariff

STS-L CONTRACT

having jurisdiction needed to obtain the Necessary Capacity. TransCanada shall use reasonable efforts to provide Shipper with ten (10) days advance Notice of the anticipated availability of the Necessary Capacity (the "Advance Notice"). TransCanada shall give Shipper -Notice of the actual date of availability of the Necessary Capacity ("TransCanada's Notice"), and service hereunder shall not commence prior to the actual date of availability of the Necessary Capacity.

1.2 The date of commencement of service hereunder (the "Date of Commencement") shall be the earlier of:

- (a) the date for which Shipper first nominates and TransCanada authorizes service hereunder;
- or
- (b) the tenth (10th) day following the day on which Shipper received TransCanada's Notice;

PROVIDED that Shipper shall not be obligated to a Date of Commencement which is earlier than _____, _____.

Insert C

2.1 On any day TransCanada agrees to deliver a quantity of gas (the "Daily Storage Quantity the Daily Operational Injection Quantity") as requested by Shipper at from the Market Point to the Storage Injection Delivery Points on a firm basis, in accordance with Section 2.2(c) of the STS Toll Schedule; PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of the Daily Contract Injection Quantity of _____ GJ; and PROVIDED that TransCanada is obligated to deliver only such quantity as Union will accept on Shipper's behalf on such day.

2.2 On any day ~~during any Winter Period~~ from November 1 to April 15 on a firm basis, and at other times on a best efforts basis, TransCanada agrees, ~~In accordance with the provisions of Section 2.2(c) of the STS Toll Schedule, to accept at Parkway Union,~~ to transport and deliver up to the Daily Contract Withdrawal Quantity as requested by the Shipper from the Storage Withdrawal Point to the Market Point, in the _____ Delivery Area(s) thermally equivalent quantities of gas on a firm basis (the "Daily Transportation Quantity"); PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of the Daily Contract Withdrawal Quantity, _____ GJ (the "Contract Demand").



Transportation Tariff

STS-L CONTRACT

II Market is ~~Upstream Transport From Storage - Precedent Agreement Signed~~

Insert A

WHEREAS the Market Point is located upstream of the Storage Withdrawal Point; and

WHEREAS Shipper desires during each period from April 16 to October 31 (the "Summer Period") during the term hereof to have quantities of gas, ~~otherwise deliverable under Shipper's FS Contract at the delivery points specified thereunder, delivered at Dawn and/or Parkway Union (in this context the "Storage Delivery Points") for transportation by Union to storage ; and~~delivered from the Market Point to the Storage Injection Point(s) on a firm basis; and

WHEREAS Shipper proposes from time to time during the term hereof ~~to have Union transport certain quantities of gas that are withdrawn from storage to Parkway Union for delivery to TransCanada, and to have TransCanada transport such quantities~~ of gas from Parkway Union the Storage Withdrawal Point to the Market Point for delivery to Shipper in the _____ Delivery Area(s) on a firm basis, ~~in order to enable Shipper to better meet the needs of its markets; and~~

WHEREAS the parties hereto have heretofore entered into an agreement (the "Precedent Agreement") which binds them, subject to the fulfillment or waiver of the conditions precedent therein set forth, to enter into enter into an Agreement substantially upon the terms and conditions hereinafter described; and

WHEREAS the conditions precedent of the Precedent Agreement have been satisfied or waived.

Insert B

1.1 TransCanada shall use reasonable efforts to have such additional facilities (and/or obtain such transportation arrangements on other gas transmission systems) as may be required to effect the transportation of the quantities hereunder (the "Necessary Capacity") in place by _____, _____ or such later date that may result due to the timing of the receipt by TransCanada and/or other parties requiring same of the authorizations from the National Energy Board ("NEB") and/or other agencies having jurisdiction needed to obtain the Necessary Capacity. TransCanada shall use reasonable efforts to provide Shipper with ten (10) days advance Notice of the anticipated availability of the Necessary

Transportation Tariff

STS-L CONTRACT

Capacity (the "Advance Notice"). TransCanada shall give Shipper Notice of the actual date of availability of the Necessary Capacity ("TransCanada's Notice"), and service hereunder shall not commence prior to the actual date of availability of the Necessary Capacity.

1.2 The date of commencement of service hereunder (the "Date of Commencement") shall be the earlier of:

- (a) the date for which Shipper first nominates and TransCanada authorizes service hereunder;
- or
- (b) the tenth (10th) day following the day on which Shipper received TransCanada's Notice;

PROVIDED that Shipper shall not be obligated to a Date of Commencement which is earlier than _____, _____.

Insert C

2.1 On any day during any Summer Period from April 16 to October 31st on a firm basis, and at other times on a best efforts basis, TransCanada agrees to deliver a quantity of gas (the Daily Storage Operational Injection Quantity) as requested by Shipper from the Market Point to the Storage Injection Point(s) at the Storage Delivery Points on a firm basis, in accordance with Section 2.2(c) of the STS Toll Schedule; ~~PROVIDED that TransCanada is obligated to deliver only such quantity as Union will accept on Shipper's behalf on such day; and~~ PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day in excess of the Daily Contract Injection Quantity _____ GJ; and ~~PROVIDED further that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of _____ GJ (the "Contract Demand").~~

2.2 On any day during the term hereof TransCanada agrees, ~~in accordance with the provisions of Section 2.2(c) of the STS Toll Schedule, to accept at Parkway Union, to transport~~ and deliver up to the Daily Contract Withdrawal Quantity as requested by Shipper from the Storage Withdrawal Point to the Market Point; and deliver to Shipper in the _____ Delivery Area(s) thermally equivalent quantities of gas on a firm basis (the "Daily Transportation Quantity") Quantity. PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of the Daily Contract Withdrawal Quantity.



Transportation Tariff

STS-L CONTRACT

III Market is ~~Downstream Transport From Storage - No Precedent Agreement~~

Insert A

WHEREAS the Market Point is located downstream of the Storage Withdrawal Point; and

~~WHEREAS Shipper desires from time to time to have quantities of gas, otherwise deliverable under Shipper's FS Contract at the delivery points specified thereunder, delivered at Dawn and/or Parkway-Union (in this context the "Storage Delivery Points") for transportation by Union to storage; and~~

WHEREAS Shipper desires from time to time to have quantities of gas delivered on a firm basis from the Market Point to the Storage Injection Point(s); and

WHEREAS Shipper proposes during each period from November 1 to April 15 (the "Winter Period") during the term hereof to have ~~Union transport certain quantities of gas that are withdrawn from storage to Parkway-Union for delivery to TransCanada, and to have TransCanada transport such quantities~~ of gas from Parkway-Union the Storage Withdrawal Point for delivery to Shipper in the _____ Delivery Area(s) at the Market Point on a firm basis, in order to enable Shipper to better meet the needs of its markets; and

WHEREAS Shipper has satisfied in full, or TransCanada has waived, each of the conditions precedent set out in sub-Section 1.1 of TransCanada's ~~Storage Transportation Service Toll Schedule~~ (the "STS-L Toll Schedule").

Insert B

1.1 The date of commencement of service hereunder (the "Date of Commencement") shall be _____.

Insert C

~~2.1 On any day TransCanada agrees to deliver a quantity of gas (the "Daily Storage Quantity") as requested by Shipper at the Storage Delivery Points on a firm basis, in accordance with Section 2.2(c) of the STS Toll Schedule; PROVIDED that TransCanada is obligated to deliver only such quantity as Union will accept on Shipper's behalf on such day.~~

On any day during the term hereof TransCanada agrees to deliver the Daily Operational Injection Quantity as requested by Shipper from the Market Point to the Storage Injection Point on a firm



Transportation Tariff

STS-L CONTRACT

basis; PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of the Daily Contract Injection Quantity _____ GJ; and

2.2 On any day ~~during any Winter Period~~ from November 1 to April 15 on a firm basis, and at other times on a best efforts basis, TransCanada agrees, ~~In accordance with the provisions of Section 2.2(c) of the STS Toll Schedule, to accept at Parkway Union,~~ transport and deliver up to the Daily Contract Withdrawal Quantity as requested by ~~to Shipper~~ from the Storage Withdrawal Point to the Market Point; in the _____ Delivery Area(s) thermally equivalent quantities of gas on a firm basis (the "Daily Transportation Quantity"); ~~PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of _____ GJ (the "Contract Demand")~~ PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of the Daily Contract Withdrawal Quantity.

IV Market is Upstream Transport From Storage - No Precedent Agreement

Insert A

WHEREAS the Market Point is located upstream of the Storage Withdrawal Point; and

WHEREAS Shipper desires during each period from April 16 to October 31 (the "Summer Period") during the term hereof to have quantities of gas, ~~otherwise deliverable under Shipper's FS Contract at the delivery points specified thereunder, delivered at Dawn and/or Parkway Union (in this context the "Storage Delivery Points") for transportation by Union to storage ; and~~ delivered from the Market Point to the Storage Injection Point(s); and

WHEREAS Shipper proposes from time to time during the term hereof ~~to have Union transport certain quantities of gas that are withdrawn from storage to Parkway Union for delivery to TransCanada, and to have TransCanada transport such quantities~~ of gas from the Storage Withdrawal Point Parkway Union for delivery to Shipper at the Market Point in the _____ Delivery Area(s) on a firm basis, ~~in order to enable Shipper to better meet the needs of its markets; and~~

WHEREAS Shipper has satisfied in full, or TransCanada has waived, each of the conditions precedent set out in sub-Section 1.1 of TransCanada's ~~Storage Transportation Service Toll Schedule (the "STS-L Toll Schedule").~~

Insert B

Transportation Tariff

STS-L CONTRACT

1.1 The date of commencement of service hereunder (the "Date of Commencement") shall be _____.

Insert C

2.1 On any day ~~during any Summer Period~~ from April 16 to October 31 on a firm basis, and at other times on a best efforts basis, TransCanada agrees to deliver a quantity of gas (the "Daily Storage Operational Injection Quantity") as requested by Shipper from the Market Point to the Storage Injection Point; at the ~~Storage Delivery Points on a firm basis, in accordance with Section 2.2(c) of the STS Toll Schedule, PROVIDED that TransCanada is obligated to deliver only such quantity as Union will accept on Shipper's behalf on such day, and~~ PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day in excess of the Daily Contract Injection Quantity _____ GJ; and PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of _____ GJ (the "Operating Demand Quantity").

2.2 On any day during the term hereof TransCanada agrees, ~~In accordance with the provisions of Section 2.2(c) of the STS Toll Schedule, to accept at Parkway Union, to transport and deliver up to the Daily Contract Withdrawal Quantity on a firm basis as requested by Shipper from the Storage Withdrawal Point to the Market Point; and deliver to Shipper in the _____ Delivery Area(s) quantities of gas on a firm basis (the "Daily Transportation Quantity").~~ PROVIDED that TransCanada shall not be obligated to transport a quantity of gas on any one day during the term hereof in excess of the Daily Contract Withdrawal Quantity.

Transportation TariffFT TOLL SCHEDULE

FIRM TRANSPORTATION SERVICE**FT TOLL SCHEDULE****INDEX**

Section	Sheet No.
1. AVAILABILITY	1
2. APPLICABILITY AND CHARACTER OF SERVICE	2
3. MONTHLY BILL	2
4. MINIMUM BILL	3
5. DEMAND CHARGE ADJUSTMENTS	3
6. DIVERSION OF GAS	4
7. ASSIGNMENT	6
8. RENEWAL RIGHTS	6
9. TEMPORARY RECEIPT AND/OR DELIVERY POINT(S)	8
10. MISCELLANEOUS PROVISIONS	9

Transportation Tariff

FT TOLL SCHEDULE

1. AVAILABILITY

1.1 Any Shipper shall be eligible to receive service pursuant to this Toll Schedule provided that Shipper:

- (a) has entered into a Firm Transportation Service Contract with TransCanada having a minimum term of one (1) year; or has obtained an Order of the NEB, pursuant to subsection 71(2) of the National Energy Board Act as amended from time to time ("71(2) Order"), requiring TransCanada to transport gas for Shipper subject to the provisions of this Toll Schedule and to the terms and conditions contained in the 71(2) Order; and
- (b) has pipeline facilities interconnecting with TransCanada's facilities at the delivery point(s) specified in the Contract, or which has provided TransCanada with adequate assurances that arrangements have been made to have an authorized gas distribution or transmission company act as Shipper's agent in receiving from TransCanada the gas to be delivered pursuant to this Toll Schedule; and
- (c) has provided TransCanada with financial assurances as required by TransCanada pursuant to Section XXIII of the General Terms and Conditions referred to in Section 10 hereof.

1.2 Facilities Construction Policy

In order to provide service pursuant to this Toll Schedule, TransCanada utilizes capacity available from its own gas transmission system and from its firm transportation service entitlement on the Great Lakes Gas Transmission Company system, the Union Gas Limited system, and the Trans Quebec & Maritimes Pipeline Inc. system (the "Combined Capacity"). If a request for service pursuant to this Toll Schedule (the "Requested Service") requires an increase to the Combined Capacity, TransCanada is prepared to use all reasonable efforts to enable it to increase the Combined Capacity to the extent necessary provided that:

- (a) there is reasonable expectation of a long term requirement for the increase in the Combined Capacity; and

Transportation Tariff

FT TOLL SCHEDULE

- (a) the greater of the Monthly Demand Toll payable for transportation from the original receipt point to the original delivery point specified in the Contract, and the Demand Toll which applies:
- (i) from the original receipt point to the temporary delivery point;
 - (ii) from the temporary receipt point to the original delivery point; or
 - (iii) from the temporary receipt point to the temporary delivery point;

as the case may be:

- (b) the applicable Commodity Toll for the quantity of gas delivered after giving effect to the temporary receipt and/or delivery point(s); and
- (c) the greater of the Delivery Pressure Monthly Demand Toll applicable to the original delivery point specified in the Contract and the Delivery Pressure Monthly Demand Toll which applies to the temporary delivery point, plus any fuel related to the delivery pressure.

9.4 The Demand charges set out in subsections 9.3 a) and c) above are payable by Shipper notwithstanding any failure by Shipper during such month, for any reason whatsoever, including force majeure or a default by Shipper under Section 2.1 hereof, to deliver Shipper's Receipt Gas to TransCanada at the temporary receipt point.

9.5 Shipper shall pay for or provide, on a daily basis, a quantity of fuel based on the applicable monthly fuel ratio established by TransCanada for transportation for the quantity of gas delivered after giving effect to the temporary receipt and/or delivery point(s).

9.6 Upon acceptance by TransCanada of Shipper's request for a temporary receipt or delivery point, transportation service hereunder shall be firm in accordance with Section 2.1 of this FT Toll Schedule.

Transportation Tariff

FT TOLL SCHEDULE

9.7 If Shipper executes an Exhibit "B" to any STS-L Contract, Shipper shall not be entitled to change any receipt and/or delivery points pursuant to this Section 9 for any of the Linked FT Contracts during the Linked Term both set out in such Exhibit "B".

10. MISCELLANEOUS PROVISIONS

- 10.1 The General Terms and Conditions and the List of Tolls of TransCanada's Transportation Tariff, as amended from time to time, are applicable to this Toll Schedule and are hereby made a part hereof. If there is any conflict between the provisions of this Toll Schedule and the General Terms and Conditions, the provisions of this Toll Schedule shall prevail.
- 10.2 This Toll Schedule, the List of Tolls and the General Terms and Conditions are subject to the provisions of the National Energy Board Act or any other legislation passed in amendment thereof or substitution therefor.
- 10.3 This Toll Schedule together with the provisions of the General Terms and Conditions supercedes and replaces all previous Toll Schedules applicable to the Contract.

GENERAL TERMS AND CONDITIONS

INDEX

Section	Sheet No.
I	2
II	5
III	6
IV	7
V	8
VI	10
VII	11
VIII	11
IX	11
X	14
XI	14
XII	16
XIII	17
XIV	18
XV	19
XVI	26
XVII	27
XVIII	28
XIX	28
XX	28
XXI	30
XXII	30
XXIII	39
XXIV	40

Transportation Tariff

GENERAL TERMS and CONDITIONS

I DEFINITIONS

Except where the context expressly states another meaning, the following terms, when used in these General Terms and Conditions, in any transportation service contract and in any Toll Schedule into which these General Terms and Conditions are incorporated, shall be construed to have the following meanings:

- "Banking Day" shall mean any day that the Royal Bank of Canada, Main Branch, Calgary, Canada or other financial institutions agreed to by TransCanada for payment pursuant to Section XI herein, conducts business.
- "Contract" shall mean a transportation service contract and shall also mean an Order of the NEB pursuant to Section 71(2) of the National Energy Board Act, as amended from time to time requiring TransCanada to provide transportation service.
- "Contract Demand" shall mean:
 - (i) with respect to transportation service contracts entered into prior to November 1, 1998, the contract demand, maximum daily quantity, annual contract quantity or maximum quantity as stated in a transportation service contract, converted to GJ by multiplying such contract demand, maximum daily quantity, annual contract quantity or maximum quantity by GHV-97 for the relevant delivery point as more particularly set out in the HV-97 Schedule attached to these General Terms and Conditions subject to variance pursuant to a Shipper election to restate its contract demand within the range from 99% of GHV-97 to 101% of GHV-97, which was received by TransCanada on or before February 13, 1998; and,
 - (ii) with respect to transportation service contracts entered into on or after November 1, 1998, that quantity of gas expressed in GJ specified in Shipper's transportation service contract as Shipper's daily or seasonal entitlement, as the case may be, to transportation capacity.
- "Contract Year" shall mean a period of 12 consecutive months beginning on a first day of November.

Transportation Tariff

GENERAL TERMS and CONDITIONS

- "Cubic Metre" or "m³" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of fifteen degrees (15°) Celsius, and at a pressure of 101.325 kilopascals absolute.
- "Daily Contract Injection Quantity" shall, for the purposes of the STS-L Contracts, mean the quantity of gas specified in the STS-L Contract for delivery from the Market Point to the Storage Injection Point(s).
- "Daily Contract Withdrawal Quantity" shall, for the purposes of the STS-L Contracts, mean 75% of the Daily Contract Injection Quantity, for delivery from the Storage Withdrawal Point to the Market Point.
- "Daily Diversion Quantity" shall have the meaning ascribed in sub-Section 3.1(e)(i) of the STS Toll Schedule.
- "Daily Excess Withdrawal Quantity" shall be as defined in sub-Section 3.1(e) of the STS Toll Schedule for STS Contracts and sub-Section 3.1(c) of the STS-L Toll Schedule for STS-L Contracts.
- "Daily Injection Quantity" shall be as defined in sub-Section 2.2(a) of the STS Toll Schedule for STS Contracts or STS-L Toll Schedule for STS-L Contracts.
- "Daily IT Quantity" shall be as defined in sub-Section 3.1(e) of the STS Toll Schedule for STS Contracts and in sub-Section 3.1(e) of the STS-L Toll Schedule for STS-L Contracts.
- "Daily Operational Injection Quantity" shall, for the purposes of STS-L Contracts, mean the least of the aggregate of the Contract Demand(s) of the Linked FT Contract(s) and the Daily Contract Injection Quantity from the Market Point to the Storage Injection Point(s).
- "Daily STFT Quantity" shall be as defined in sub-Section 3.1 (e) of the STS Toll Schedule for STS Contracts and in sub-Section 3.1(e) of the STS-L Toll Schedule for STS-L Contracts.
- "Daily Withdrawal Quantity" shall be as defined in sub-Section 2.2(b) of the STS Toll Schedule for STS Contracts and sub-Section 2.2(b) STS-L Toll Schedule for STS-L Contracts.

Transportation Tariff

GENERAL TERMS and CONDITIONS

- "Daily Demand Toll" shall mean the toll determined by multiplying the Monthly Demand Toll for transportation service, as approved by the NEB (as set forth in the List of Tolls referred to in Section III hereof), by twelve (12) and dividing the result by three hundred and sixty-five (365).

- "Day" shall mean a period of 24 consecutive hours, beginning and ending at 09:00 hours Central Clock Time, or at such other time as may be mutually agreed upon by Shipper and TransCanada. The reference date for any day shall be the calendar date upon which the 24 hour period shall commence.

- "Delivery Pressure Daily Demand Toll" shall mean the toll determined by multiplying the Delivery Pressure Monthly Demand Toll, as approved by the NEB (as set forth in the List of Tolls referred to in Section III hereof), by twelve (12) and dividing the result by three hundred and sixty-five (365).

- "Diversion" shall mean the delivery of quantities of gas at a delivery point and/or delivery area not specified in Shipper's FT, FT-NR, FST or LT-WFS Contract.

- "EDI" means Electronic Data Interchange being the direct computer-to-computer transfer of information using ANSI ASC X12 protocol and a specific definition assigned by TransCanada under standards agreed to by a consensus of the natural gas industry (through standard-setting committees).

- "EDI format" shall mean a file format compliant with the ANSI ASC X12 protocol used for EDI and according to the specific definition assigned by TransCanada under standards agreed to by a consensus of the natural gas industry (through standard-setting committees).

- "Financial Assurance" shall have the meaning attributed to it in sub-Section XXIII(1) hereof.

- "Fuel Quantity" shall mean the quantity of gas expressed in gigajoules which is to be used by TransCanada as fuel for transporting Shipper's Authorized Quantity.

- "GJ" shall mean gigajoule being 1,000,000,000 joules and include the plural as the context requires.

Transportation Tariff

GENERAL TERMS and CONDITIONS

- "GHV-97" shall mean the gross heating value for each delivery point as set out in the HV-97 Schedule attached to these general terms and conditions as adjusted in accordance with any Shipper election given to TransCanada prior to February 13, 1998.
- "GHV" shall mean gross heating value.
- "Gas" shall mean: (i) any hydrocarbons or mixture of hydrocarbons that, at a temperature of 15° C and a pressure of 101.325 kPa, is in a gaseous state, or (ii) any substance designated as a gas product by regulations made under section 130 of the National Energy Board Act.
- "Gross Heating Value" shall mean the total joules expressed in megajoules per cubic metre (MJ/m³) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion to be at standard temperature and all water formed by combustion reaction to be condensed to the liquid state.
- "Joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force.
- "Linked FT Contract" shall mean the FT Contract(s) identified in Exhibit "B" of Shipper's STS-L Contract and such FT Contract shall satisfy the following:
 - i. the delivery point shall be the same as the Market Point specified in Exhibit "A" of Shippers STS-L Contract;
 - ii. is not identified in any other STS Contract or any Exhibit "B" of any other STS-L Contract;
 - iii. has a minimum Linked Term of 1 month, and shall commence on the first day of a month and shall end on the last day of a month;
 - iv. has a receipt point that is Empress or in the province of Saskatchewan.
- "Linked Term" shall have the meaning ascribed in Exhibit "B" of the STS-L Toll Schedule
- "Market Point" shall have the meaning ascribed in Exhibit "A" of the STS Contract or STS-L Contract as the case may be.

Transportation Tariff

GENERAL TERMS and CONDITIONS

- "Month" shall mean the period beginning on the first day of the calendar month and ending at the beginning of the first day of the next succeeding calendar month.

- "CCT" shall mean Central Clock Time, representing the time in effect in the Central Time Zone of Canada at the time a transaction occurs, regardless of whether that time may be Standard Time or Daylight Savings Time as those terms are commonly known and understood.

- "NEB" shall mean the National Energy Board or any regulatory or government authority hereafter having a similar jurisdiction in substitution therefor.

- "Shipper" shall mean a customer of transportation service.

- "Shipper's Authorized Quantity" shall be as defined in subsection 1 of Section XXII.

- ["Storage Injection Point" shall have the meaning ascribed in Exhibit "A" of the STS Contract or the STS-L Contract as the case may be.](#)

- ["Storage Withdrawal Point" shall have the meaning ascribed in Exhibit "A" of the STS Contract or the STS-L Contract as the case may be.](#)

- "Subsidiary" shall mean a company in which 50% or more of the issued share capital (having full voting rights under all circumstances) is owned or controlled directly or indirectly by another company, by one or more subsidiaries of such other company, or by such other company and one or more of its subsidiaries.

- "Summer Diversion" shall mean a diversion occurring during the period commencing on April 1 in any calendar year and ending upon October 31 in the same calendar year.

- "Title Transfer" shall mean the transfer of title to gas between two (2) Shippers at a Title Transfer Point.

- "Title Transfer Point" shall be those points and areas where the quantity of gas allocated to each Shipper is established each day and is not subject to reallocation.

- "TransCanada" shall mean "TransCanada PipeLines Limited" and its successors.

Transportation Tariff

GENERAL TERMS and CONDITIONS

- "Transportation Service Contract" shall mean "Firm Transportation Service Contract", "FT Contract", "Non Renewable Firm Transportation Contract", "FT-NR Contract", "Interruptible Service Transportation Contract", "IT Contract", "Interruptible Backhaul Service Contract", "IT Backhaul Contract", "Storage Transportation Service Contract", "STS Contract", "["STS-L Contract"](#)", "Short Term Firm Transportation Service Contract", "STFT Contract, "Firm Service Tendered Contract, "FST Contract", "Enhanced Capacity Release Service Contract", "ECR Contract", "Long-Term Winter Firm Service Contract", "LT-WFS Contract", Firm Backhaul Transportation Service Contract" and "FBT Contract"."
- "Winter Diversion" shall mean a diversion occurring during the period commencing on November 1 in any calendar year and ending upon March 31 in the immediately succeeding calendar year.
- "Year" shall mean a period of 365 consecutive days; PROVIDED HOWEVER, that any such year which contains a date of February 29 shall consist of 366 consecutive days.

II APPLICABILITY AND CHARACTER OF SERVICE

1. (a) Subject to the provisions of the applicable Toll Schedule and these General Terms and Conditions, on each day for which service is requested by Shipper, and authorized by TransCanada pursuant to Section XXII hereof, Shipper shall deliver and TransCanada shall receive, at the receipt point(s) set out in Shipper's Contract (the "receipt point"), the Shipper's Authorized Quantity and TransCanada shall transport for Shipper and Shipper shall receive, at the delivery point set out in Shipper's Contract (the "delivery point"), a quantity of gas equal thereto; PROVIDED HOWEVER, that under no circumstances shall TransCanada be obligated to deliver to Shipper in any one day, at the delivery point, a quantity of gas in excess of the Contract Demand.
- (b) If on any day Shipper fails to accept all or any portion of the gas delivered at the delivery point by TransCanada pursuant to the applicable Toll Schedule, TransCanada shall have the right to curtail further receipts of gas from Shipper at the receipt point in a quantity equal to that which Shipper failed to accept from TransCanada. If on any day Shipper requests service hereunder but fails, for whatever reason, to deliver gas to TransCanada at the receipt point, then TransCanada shall have the right to curtail further deliveries of

Transportation Tariff

GENERAL TERMS and CONDITIONS

gas to Shipper at the delivery point in a quantity equal to that which Shipper failed to deliver to TransCanada.

2. Shipper's Authorized Quantity shall, where applicable, be delivered on such day by Shipper to TransCanada at the receipt point or taken on such day by Shipper from TransCanada at the delivery point, as the case may be, at hourly rates of flow as nearly constant as possible; PROVIDED HOWEVER, that Shipper may not, without TransCanada's consent, take delivery of such gas at the delivery point at an hourly rate of flow in excess of five percent (5%) of such authorized quantity.
3. Departures from scheduled daily deliveries due to the inability of TransCanada or Shipper to maintain precise control shall be kept to the minimum permitted by operating conditions.
4. From the time gas is delivered into the possession of TransCanada at the receipt point TransCanada shall have the unqualified right to commingle such gas with other gas in TransCanada's pipeline system.

III TOLLS

1. The tolls applicable to service provided under any Contract into which these General Terms and Conditions are incorporated shall be determined:
 - (i) in the case of all transportation services, except Storage Transportation Service ("STS") [and "Storage Transportation Service-Linked" \(STS-L\)](#), where the receipt point is located at the Alberta/Saskatchewan border or where the receipt and delivery points are located in different provinces, on the basis of the Canadian Toll Zone in which the delivery point is located for gas which is delivered for consumption in Canada under a Contract in which the principal delivery point(s) specified therein do not include any export delivery points for gas destined for export to the United States; or
 - (ii) as fixed and approved by the NEB, on the basis of the receipt and delivery points for delivery of gas destined for export to the United States; or
 - (iii) in the case of STS [and STS-L](#) contracts and contracts providing receipt and delivery points within one province of Canada, as fixed and approved by the NEB, on the basis of the receipt point and delivery points set out therein.

Transportation Tariff

GENERAL TERMS and CONDITIONS

which have delivery points on the segment of TransCanada's integrated system from Kirkwall to Niagara Falls.

- (iii) In (i) above, the diversion of gas to a point at or downstream of the system restriction, away from a firm contractual delivery point which is at or downstream of the system restriction, shall have priority over the diversion of gas to a point at or downstream of the system restriction, away from a firm contractual delivery point which is upstream of the system restriction. Determination of the location of the system restriction is the sole responsibility of TransCanada PipeLines.
- (f) Sixth quantities to be delivered on a best efforts basis under STS [and STS-L](#) Contracts.
- (g) Seventh except for Shipper's Make-up quantities curtailed pursuant to 1 (a) above, under any FST Contracts up to the total amount that TransCanada is entitled to curtail under such contracts during such day under the provisions thereof other than under this Section XV; PROVIDED HOWEVER, that subject to TransCanada's seasonal obligations if TransCanada's inability to deliver is due to an occurrence of a force majeure during the period May 1 to September 30, then TransCanada shall be entitled to completely interrupt deliveries under such contracts on such day during such period.
- (h) Eighth proportionately under:
 - (i) FT, FT-NR, FST, STFT, STS, [STS-L](#) and LT-WFS Contracts (other than quantities to be delivered on a best efforts basis under STS [and STS-L](#) Contracts) in amounts proportional to the undiverted Operating Demand Quantities of such Contracts.
 - (ii) Winter Diversions made under FT, FT-NR, FST, and LT-WFS Contracts not already curtailed pursuant to subparagraphs (d)(ii) and (e)(ii) above, in amounts so diverted under such Contracts.

(For the purpose of this paragraph, the Operating Demand Quantity shall be:

- (A) under FT Contracts, the Contract Demand;
- (B) under FT-NR Contracts, the Contract Demand;

Transportation Tariff

GENERAL TERMS and CONDITIONS

- (C) under LT - WFS Contracts, the LT - WFS Maximum Daily Quantity;
 - (D) under STS-Contracts, the Daily ~~Storage~~-Injection Quantity or the Daily ~~Transportation~~-Withdrawal Quantity, as the case may be;
 - (E) under STS-L Contracts, the Daily Contract Injection Quantity and the Daily Contract Withdrawal Quantity;
 - (F) under FST Contracts, fifty (50%) percent of the winter period average daily winter capacity, or TransCanada's estimate of Shipper's requirement, as the case may be;
 - (G) under STFT Contracts, the Contract Demand, and
 - (H) under FBT Contracts, the Maximum Daily Quantity.
- (iii) Any forward haul component of a FBT Contract, that are affected by the disability in proportion Operating Demand Quantities of such Contract.
 - (iv) Back haul components of an FBT Contract as required due to any lack of forward haul quantities to support the back haul quantities.
2. If TransCanada estimates that it will be unable to meet its total minimum obligations to deliver under all of its contracts during the then current season, TransCanada shall order seasonal curtailment in the following order of priority:
- (a) First under any Shipper's Make-up pursuant to the FST Toll Schedule
 - (b) Second under interruptible service provided pursuant to the IT and IT Backhaul Toll Schedules.

The toll for STS Overrun is the 100% Load Factor Toll. Therefore when STS Overrun is tolled at an equal or higher price than IT, then the priority of STS Overrun is higher; when the STS Overrun Toll is at a lower price than IT, then the priority of STS Overrun is lower.
 - (c) Third under any gas storage program of TransCanada .
 - (d) Fourth under:

Transportation Tariff

GENERAL TERMS and CONDITIONS

(C) cause the actual flow of gas on any segment of TransCanada's integrated pipeline system (including those notional segments comprised of TransCanada's maximum transportation entitlements under transportation agreements that it has with Great Lakes Gas Transmission, L.P., Union Gas Limited and Trans Quebec and Maritimes Pipeline Inc.) to exceed the capability of the affected segment by an amount greater than that which would have occurred had the gas which is the subject of the diversion been delivered at the delivery point(s) or delivery area specified in the FT, FT-NR or LT-WFS Contract.

Solely for the purpose of making the aforesaid determination, TransCanada may, for certain quantities, treat the point of interconnection between TransCanada's system and the system of Union Gas Limited at Parkway as a delivery point specified in those FT, FT-NR or LT-WFS Contracts which have delivery points on the segment of TransCanada's integrated system from Kirkwall to Niagara Falls.

(iii) In (i) above, the diversion of gas to a point at or downstream of the system restriction, away from a firm contractual delivery point which is at or downstream of the system restriction, shall have priority over the diversion of gas to a point at or downstream of the system restriction, away from a firm contractual delivery point which is upstream of the system restriction. Determination of the location of the system restriction is the sole responsibility of TransCanada PipeLines.

(f) Sixth Quantities to be delivered on a best efforts basis under STS [and STS-L](#) Contracts.

(g) Seventh under FST Contracts up to the total amount that TransCanada is entitled to curtail under such contracts during such season under the provisions thereof other than under this Section XV.

(h) Eighth proportionately under:

(i) FT, FT-NR, FST, STFT, STS, [STS-L](#) and LT-WFS Contracts (other than quantities to be delivered on a best efforts basis under STS [and STS-L](#) Contracts) once the curtailments made in (e) above have taken place, in

Transportation Tariff

GENERAL TERMS and CONDITIONS

amounts proportional to the undiverted Operating Demand Quantities or Maximum Daily Quantities, as the case may be, of such Contracts,

- (ii) Winter Diversions made pursuant to FT, FT-NR, FST, and LT-WFS Contracts not already curtailed pursuant to subparagraphs (d)(ii) and (e)(ii) above, in amounts so diverted under such Contracts.
- (iii) Any forward haul components of a FBT Contract, that are affected by the disability in proportion Operating Demand Quantities of such Contract.
- (iv) Back haul components of an FBT Contract as required due to any lack of forward haul quantities to support the back haul quantities.

For this purpose the seasonal requirement shall be:

- (i) under FST Contracts, the seasonal quantity of the applicable season, less the quantity curtailed pursuant to paragraphs 2 (a), (d) and (e) above.
- (ii) under FT Contract, FT-NR Contracts, STFT Contracts, STS Contracts, [STS-L Contracts](#)—and FBT Contracts, TransCanada's estimate of Shipper's total seasonal requirements under each such Contract.
- (iii) under LT-WFS, the LT-WFS Maximum Daily Quantity, as the case may be, multiplied by the number of days in Shipper's Service Entitlement.

In curtailing deliveries under this paragraph 2, TransCanada will endeavor to minimize its daily curtailments under its FT Contracts, FT-NR Contracts, STFT Contracts, LT-WFS Contracts, STS Contracts, [STS-L Contracts](#)—and FBT Contracts in an attempt to meet Shipper's daily requirements for deliveries.

3. If TransCanada curtails deliveries of gas under any of its FT, FT-NR, FST, STFT, STS, [STS-L Contract](#), LT-WFS or FBT Contracts pursuant to paragraph 2 of this Section XV, and subsequent to such curtailment TransCanada is able to deliver excess quantities of gas in the same contract year over and above its obligations, then TransCanada will first offer such excess quantities of gas for delivery to those Shippers curtailed, in amounts up to and proportional to the

Transportation Tariff

GENERAL TERMS and CONDITIONS

quantities curtailed, PROVIDED THAT any excess quantities of gas will be limited to the excess quantities that Shipper is able to have delivered to TransCanada for delivery thereunder.

XVI DETERMINATION OF DAILY DELIVERIES

1. A Shipper taking delivery of gas under contracts and/or toll schedules for more than one class of service in one delivery area or one Export Delivery Point shall be deemed on any day to have taken delivery of Shipper's Authorized Quantity under the applicable contract and/or toll schedule in accordance with such agreement as may exist between TransCanada and the downstream operator(s). Absent such agreement, shipper shall be deemed to have taken delivery of Shipper's Authorized Quantities sequentially as follows:
 - (a) IT Backhaul Contract Receipt Quantity
 - (b) FT Contract
 - (c) FT-NR Contract
 - (d) STFT Contract
 - (e) STS [and STS-L Contracts](#)
 - (f) FBT Contract
 - (g) LT- WFS Contract
 - (h) firm portion of gas quantities under FST Contract
 - (i) interruptible portion of gas quantities under FST Contract, except for any Shippers Make-up
 - (j) IT and IT Backhaul Contracts, Delivery Quantity
 - (k) Shippers Make-up under FST Contract

XVII DEFAULT AND TERMINATION

Subject to the provisions of Section XI, Section XIV, Section XV and Section XXIII of these General Terms and Conditions, if either TransCanada or Shipper shall fail to perform any of the covenants or obligations imposed upon it under any Contract into which these General Terms and Conditions are incorporated, then in such event the other party may, at its option, terminate such Contract by proceeding

Transportation Tariff

GENERAL TERMS and CONDITIONS

Where V_d means the actual volume of gas delivered by TransCanada to Shipper at the delivery point(s);

Where GH_{Vd} means the gross heating value of the gas delivered to Shipper at the delivery point;

Where V_r means the actual volume of gas received by TransCanada from Shipper at the receipt point(s); and

Where GH_{Vt} means the gross heating value of the gas received by TransCanada at the receipt point.

XXIII FINANCIAL ASSURANCES

- 1. Financial Assurance for Performance of Obligations:** TransCanada may request that Shipper (or any assignee) at any time from time to time prior to and during service, provide TransCanada with an irrevocable letter of credit or other assurance acceptable to TransCanada, in form and substance satisfactory to TransCanada and in an amount determined in accordance with **sub-Section XXIII(3) hereof** (the "Financial Assurance").
- 2. Failure to Provide Financial Assurance:** TransCanada may withhold the provision of new service until TransCanada has received a requested Financial Assurance.

Notwithstanding Section XVII, if Shipper fails to provide a requested Financial Assurance to TransCanada within four (4) Banking Days of TransCanada's request, TransCanada may upon four (4) Banking Days written notice immediately suspend any or all service being or to be provided to Shipper provided however that any such suspension shall not relieve Shipper from any obligation to pay any rate, toll, charge or other amount payable to TransCanada. If at any time during such suspension Shipper provides such Financial Assurance to TransCanada, TransCanada shall within two (2) Banking Days recommence such suspended service.

Notwithstanding Section XVII, if Shipper fails to provide such Financial Assurance during such suspension, TransCanada may, in addition to any other remedy that may be available to it, upon four (4) Banking Days written notice to shipper immediately:

Transportation Tariff

GENERAL TERMS and CONDITIONS

- a) Terminate any or all service being or to be provided to Shipper; and
- b) Declare any and all amounts payable now or in the future by Shipper to TransCanada for any and all service to be immediately due and payable as liquidated damages and not as a penalty.

Any notice provided by TransCanada to Shipper to withhold, suspend or terminate service pursuant to **sub-Section XXII(2) hereof** shall be filed concurrently with the NEB.

3. **Amount of Financial Assurance:** The maximum amount of Financial Assurance TransCanada may request from a Shipper (or assignee) shall be as determined by TransCanada an amount equal to:

- a) for the provision of all gas transportation and related services, other than such services referred to in **sub-Section XXIII(3)(b)**, the aggregate of all rates, tolls, charges or other amounts payable to TransCanada for a period of seventy (70) days. Provided however, the amount of the Financial Assurance for all rates, tolls and charges other than demand charges shall be based on the daily average of the actual charges billed for service for the preceding twelve (12) month period with the initial forecast to be provided by Shipper; and
- b) for the provision of any gas transportation and related services where TransCanada determines it must construct facilities and Shipper has executed the Financial Assurances Agreement defined in Section 4.4(c)(ii) of the Transportation Access Procedure, the aggregate of all rates, tolls, charges or other amounts payable to TransCanada for a period of seventy (70) days plus one (1) month for each remaining year of the term of such service, up to a maximum of twelve (12) months total.

Nothing in this Section XXIII shall limit Shipper's right to request the NEB to issue an order, under sub-section 71(2) of the National Energy Board Act, requiring TransCanada to receive, transport and deliver gas offered by Shipper for transmission, or to grant such other relief as Shipper may request under the circumstances, notwithstanding Shipper's default under this Section XXIII.

Transportation TariffTRANSPORTATION ACCESS PROCEDURE

TRANSPORTATION ACCESS PROCEDURE**INDEX**

Section		Sheet No.
1.	PURPOSE.....	1
2.	APPLICABILITY.....	1
3.	ACCESS TO EXISTING SYSTEM CAPACITY.....	1
4.	ACCESS TO NEW SYSTEM CAPACITY.....	6
5.	MISCELLANEOUS PROVISIONS.....	10

APPENDICES

A Bid Form

Effective Date: ~~August 26, 2003~~ Draft Date: January 9, 2005 (STS-L)

For discussion purposes at the TTF; Privilege, confidential and without prejudice

Transportation Tariff

TRANSPORTATION ACCESS PROCEDURE

1. PURPOSE

1.1 The purpose of the Transportation Access Procedure contained herein (the "Procedure") is to set forth the process by which TransCanada shall administer requests for service to ensure fair and equitable treatment to all shippers seeking FT, STS-L and STS service (these shippers or other parties that submit either a Bid Form in accordance with Section 3.2 or Section 4.2, or a signed Contract in accordance with Section 3.6, are hereinafter referred to as "Service Applicant") with TransCanada for the transportation of natural gas utilizing TransCanada's pipeline facilities and TransCanada's contractual entitlement on the pipeline systems of the Great Lakes Gas Transmission Limited Partnership, Union Gas Limited and Trans Quebec and Maritimes Pipeline Inc. (collectively, TransCanada's "System Capacity").

2. APPLICABILITY

2.1 This Procedure is applicable to all requests for FT, STS-L and STS transportation services and to all requests for any increases in the maximum quantity entitlements under existing FT, STS-L and STS contracts (including increases which result from cancellation of previously arranged step-downs of quantity entitlements).

3. ACCESS TO EXISTING SYSTEM CAPACITY

3.1 Posting of Existing Capacity

If TransCanada determines it has sufficient excess System Capacity available, TransCanada may, at any time, notify Service Applicant and prospective Service Applicants by notice on TransCanada's electronic bulletin board, and by fax or email (the "Notice") of:

- (a) all or a portion of available capacity on each segment on TransCanada's System Capacity, each such segment being defined by reference to the receipt point and the export delivery point or delivery area applicable thereto (the "System Segment");

Effective Date: ~~August 26, 2003~~ Draft Date: January 9, 2005 (STS-L)

Sheet No. 1

For discussion purposes at the TTF: Privilege, confidential and without prejudice

Transportation Tariff

TRANSPORTATION ACCESS PROCEDURE

- (b) the service commencement dates for such available capacity provided that TransCanada is not obligated to offer service commencement dates two (2) or more years from the date of the notice);
- (c) the type of service available; and
- (d) the date(s) the Existing Capacity Open Season as defined in subsection 3.2(a) will commence and end.

The capacity referenced in subparagraph (a) is collectively referred to as the “Posted Capacity” for each System Segment.

3.2 The Open Season

- (a) TransCanada shall hold an open season for the Posted Capacity (an “Existing Capacity Open Season”) commencing on or about April 5 in each calendar year (unless it has no Posted Capacity). The open season shall be for a period of time determined by TransCanada which shall not be less than five (5) Banking Days after the commencement of such open season . TransCanada may hold additional Existing Capacity Open Seasons at any time it determines that additional Existing Capacity Open Seasons are necessary. Service Applicant may during the Existing Capacity Open Season submit by fax or mail a Bid Form for all or a portion of the Posted Capacity for a minimum term of one (1) year. TransCanada must receive all Bid Forms before the end of the Open Season.
- (b) Service Applicant shall submit a separate Bid Form for all or a portion of the capacity for each Posted Capacity. TransCanada shall accept a Bid Form for the purposes of evaluation and allocation in accordance with paragraph 3.4 hereof for:
 - (i) capacity within the path of the System Segment;
 - (ii) a different service commencement date; or
 - (iii) a different type of service.

Effective Date: ~~August 26, 2003~~ Draft Date: January 9, 2005 (STS-L)

Sheet No. 2

For discussion purposes at the TTF: Privilege, confidential and without prejudice

Transportation Tariff

TRANSPORTATION ACCESS PROCEDURE

Capacity”) on its electronic bulletin board, and TransCanada will offer the Available Capacity in FT, STS-L or STS service in open seasons held on each normal business day for TransCanada’s head office (a “Business Day”). The Available Capacity on any system segment to be posted will be equal to the following:

- (i) If the total remaining Posted Capacity first specified at the end of the most recent Existing Capacity Open Season on a segment (the “Initial Segment Available Capacity” or “ISAC”) is equal to or greater than 20,000 GJ/d, then the Available Capacity on that segment (the “Available Segment Capacity” or “ASC”) equals 50% of the ISAC, less any capacity awarded during previous Daily Open Seasons held since the end of the most Recent Existing Capacity Open Season (the “Daily Segment Awards” or “DSA”);
 - (ii) If the ISAC is less than 20,000 GJ/d but more than 10,000 GJ/d, then the ASC equals 10,000 GJ/d minus the DSA; and
 - (iii) If the ISAC is 10,000 GJ/d or less then the ASC on that segment equals the ISAC minus the DSA.
- (b) TransCanada shall post the Available Capacity on its electronic bulletin board by 11:00 hours CCT on each day that a Daily Open Season is held. Capacity will be awarded according to bids received by 16:00 hours CCT.
- (c) TransCanada shall post on its electronic bulletin board a summary of all new operating FT, STS-L or STS contracts entered into that reduce the Available Capacity, and an explanation of why other changes are made to the Available Capacity.
- (d) Service Applicants will bid in a Daily Open Season by submitting a signed FT, STS-L or STS Contract, as well as any financial assurances required by TransCanada. Any conditions with respect to the bid will be stated in a covering letter. No deposit is required to accompany the bid.

Effective Date: ~~August 26, 2003~~ Draft Date: January 9, 2005 (STS-L)

Sheet No. 6

For discussion purposes at the TTF: Privilege, confidential and without prejudice

Transportation Tariff

TRANSPORTATION ACCESS PROCEDURE

APPENDIX "A": BID FORM

System Segment: _____

The Delivery Point: _____

The Receipt Point: _____

Service Commencement Date: _____

Service Termination Date: _____

Maximum Capacity: _____ GJ/day Minimum Capacity: _____ GJ/day

Type of Service Requested: FT____; STS-L____ STS____

Allocated Posted Capacity: _____ GJ's/day

Service Applicant Contact

Name: _____

Address: _____

Telephone: _____ Telecopy: _____

The Bid Form shall be subject to the General Terms and Conditions, the applicable Toll Schedule and List of Tolls of TransCanada's Tariff.

Dated this _____ day of _____, _____.

Service Applicant:

By: _____ By: _____

Effective Date: ~~August 26, 2003~~ Draft Date: January 9, 2005 (STS-L)

Sheet No. 1

For discussion purposes at the TTF: Privilege, confidential and without prejudice

Transportation Tariff

TRANSPORTATION ACCESS PROCEDURE

Title: _____

Title: _____

~~Effective Date: August 26, 2003~~ Draft Date: January 9, 2005 (STS-L)

Sheet No. 2

For discussion purposes at the TTE: Privilege, confidential and without prejudice