

Appendix B-1

Black-line Version

Proposed Tariff Amendments Winter Firm Service

Westcoast Energy Inc.
TOLL SCHEDULES - SERVICE

TRANSPORTATION SERVICE - SOUTHERN

DEFINITIONS

1. In this Toll Schedule, the following term shall have the following meaning:
 - (a) "Enhanced T-South Service" means Transportation Service – Southern provided pursuant to a Service Agreement under which gas is to be delivered to the Huntingdon Delivery Area and, subject to the fulfillment of the conditions specified in the Service Agreement, to the Kingsgate Export Point;
 - (b) "Kingsgate Export Point" means the point on the international boundary between Canada and the United States of America near Kingsgate, British Columbia, where the Foothills Pipe Lines (South BC) Ltd. pipeline facilities connect with the pipeline facilities of Gas Transmission Northwest Corporation; and
 - (c) "Service Term" means in respect of each Firm Transportation Service – Southern specified in a Firm Service Agreement, the term of each such Firm Transportation Service – Southern as determined in accordance with Section 3.

All other terms used in this Toll Schedule shall have the same meaning as set forth in the General Terms and Conditions.

APPLICATION

2. This Toll Schedule applies to all Firm Transportation Service - Southern, AOS and Interruptible Transportation Service - Southern, including Import Backhaul Service, provided by Westcoast on facilities in Zone 4 under the provisions of a Firm Service Agreement or an Interruptible Service Agreement into which the General Terms and Conditions and this Toll Schedule are incorporated by reference.
3. For all purposes of this Toll Schedule, the Demand Toll applicable to any Firm Transportation Service - Southern provided pursuant to a Firm Service Agreement shall be determined based upon the Service Term, and the Service Term for each such service shall be determined as follows:
 - (a) in the case of each Firm Transportation Service – Southern provided for in a Firm Service Agreement entered into by a Shipper with Westcoast prior to November 1, 2005, the number of whole years remaining in the term of each such service as of November 1, 2005;
 - (b) in the case of each Firm Transportation Service – Southern provided for in a Firm Service Agreement entered into by a Shipper with Westcoast after November 1, 2005, the number of whole years in the term of each such service specified in the Firm Service Agreement;
 - (c) in the case of each such Firm Transportation Service – Southern which is renewed by a Shipper after November 1, 2005 in accordance with Section 2.06 of the

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General Terms and Conditions, the number of whole years in the renewal term of each such service, with effect from the first day of the renewal term; and

- (d) in the case of each Firm Transportation Service – Southern provided for in a Firm Service Agreement which is extended by the Shipper and Westcoast after December 31, 2005, the number of whole years remaining in the term of each such service, including the period of the extension, with effect from the first day of the month immediately following the execution by the Shipper of an amendment to the Firm Service Agreement providing for such extension.

MONTHLY BILL - FIRM TRANSPORTATION SERVICE - SOUTHERN

4. The amount payable by a Shipper to Westcoast in respect of Firm Transportation Service - Southern provided in any month pursuant to a Firm Service Agreement shall be an amount equal to:
- (a) the product obtained by multiplying the Contract Demand for Firm Transportation Service - Southern specified in the Firm Service Agreement by the applicable Demand Toll specified in Appendix A for Firm Transportation Service – Southern; and
 - (b) the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for the month,

less the amount of any Contract Demand Credits to which the Shipper is entitled for the month pursuant to the General Terms and Conditions.

MONTHLY BILL - AOS, INTERRUPTIBLE TRANSPORTATION SERVICE - SOUTHERN AND IMPORT BACKHAUL SERVICE

5. If on any day Shipper has unutilized Firm Transportation Service - Southern at a Delivery Point in Zone 4 and would incur on such day tolls for AOS and Interruptible Transportation Service, other than Import Backhaul Service, at that Delivery Point or at any other Delivery Point in Zone 4, then, notwithstanding the provisions of the General Terms and Conditions and for the sole purpose of determining the amount of the Commodity Tolls payable by Shipper in accordance with this Toll Schedule for AOS and Interruptible Transportation Service - Southern, the following rules shall apply:
- (a) firstly, in the case where Shipper would otherwise incur tolls on such day for AOS and Interruptible Transportation Service – Southern at a Delivery Point where Shipper has unutilized Firm Transportation Service – Southern, Shipper shall be deemed to have utilized Firm Transportation Service at such Delivery Point on such day in respect of a volume of gas not exceeding the volume of unutilized Firm Transportation Service at such Delivery Point;
 - (b) secondly, in the case where a Delivery Point at which Shipper has unutilized Firm Transportation Service – Southern is within the Huntingdon Delivery Area and Shipper has any remaining volume of unutilized Firm Transportation Service at such Delivery Point after applying the rule set out in paragraph (a) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(a)

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of the General Terms and Conditions of a volume of gas not exceeding the amount of the remaining volume of unutilized Firm Transportation Service, from that Delivery Point to any other Delivery Point within the Huntingdon Delivery Area at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service - Southern;

- (c) thirdly, if Shipper has any remaining volume of unutilized Firm Transportation Service – Southern at any Delivery Point after applying the rules set out in paragraphs (a) and (b) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(c) of the General Terms and Conditions of a volume of gas not exceeding the amount of such remaining volume of unutilized Firm Transportation Service from such Delivery Point to the nearest Downstream Delivery Point at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service - Southern; and
 - (d) fourthly, if Shipper has any remaining volume of unutilized Firm Transportation Service – Southern at any Delivery Point after applying the rules set out in paragraphs (a), (b) and (c) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(b) of the General Terms and Conditions of a volume of gas not exceeding the amount of such remaining volume of unutilized Firm Transportation Service, from such Delivery Point to the nearest Upstream Delivery Point at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service – Southern.
6. The amount payable by a Shipper to Westcoast in respect of AOS, Interruptible Transportation Service - Southern, and Import Backhaul Service provided on each day in a month shall be an amount equal to the sum of:
- (a) the product obtained by multiplying the applicable Commodity Toll specified in Appendix A for AOS, Interruptible Transportation Service - Southern and Import Backhaul Service, respectively, by the Receipt Volume for such AOS or Interruptible Transportation Service - Southern (as determined after applying the rules set out in Section 5) or for such Import Backhaul Service, respectively, at the point from which the residue gas is sourced, which is thermally equivalent to the volume of residue gas (i) delivered to or for the account of Shipper at the Delivery Point, or (ii) transmitted through Zone 4 for the account of Shipper on each such day during the month;
 - (b) the product obtained by multiplying the difference between the Commodity Tolls specified in Section 7.03 of the General Terms and Conditions by the volume of gas deemed to be diverted to a Downstream Delivery Point in accordance with Section 4(c) on each such day during the month; and
 - (c) the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

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TOLL SCHEDULES - SERVICE

APPENDIX A

**DEMAND AND COMMODITY TOLLS
TRANSPORTATION SERVICE - SOUTHERN**

Firm Transportation Service ~~—~~ Southern

Year Round Service

Service Term	Demand Tolls \$/10 ³ m ³ /mo.			
	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area*	FortisBC Kingsvale to Huntingdon**
1 year	89.70	229.37	395.91	166.54
2 years	87.09	222.69	384.38	161.69
3 years	84.48	216.01	372.85	156.84
4 years	83.60	213.79	369.01	155.22
5 years or more	82.73	211.56	365.16	153.60

* To be increased to the percentage amount of the applicable toll specified in a Service Agreement for Enhanced T-South Service

** For Firm Transportation Service - Southern provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Winter Firm Service

Service Term	Demand Tolls \$/10 ³ m ³ /mo.	
	Huntingdon Delivery Area	
	<u>WF Service (November to March)</u>	<u>Revertible WF Service*</u>
<u>1 year</u>	<u>593.87</u>	<u>395.91</u>
<u>2 years</u>	<u>576.57</u>	<u>384.38</u>
<u>3 years</u>	<u>559.28</u>	<u>372.85</u>
<u>4 years</u>	<u>553.52</u>	<u>369.01</u>
<u>5 years or more</u>	<u>547.74</u>	<u>365.16</u>

* WF Service which has been designated as Revertible WF Service pursuant to Section 23.10 of the General Terms and Conditions to provide for firm transmission of residue gas in Zone 4 all days of the year.

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Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

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AOS and Interruptible Transportation Service – Southern

Months	Commodity Tolls \$/10 ³ m ³			
	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	FortisBC Kingsvale to Huntingdon*
May 1, 2016 to October 31, 2016	2.929	7.490	12.928	5.438
November 1, 2016 to December 31, 2016	3.905	9.987	17.237 <u>14.221</u>	7.251

* For AOS provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

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Import Backhaul Service

<u>Months</u>	Commodity Tolls \$/10 ³ m ³		
	<u>Inland Delivery Area</u>	<u>PNG Delivery Point</u>	<u>Compressor Station No. 2</u>
May 1, 2016 to October 31, 2016	5.438	9.999	12.928
November 1, 2016 to December 31, 2016	7.251	13.332	17.237 <u>14.221</u>

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

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GENERAL TERMS AND CONDITIONS - SERVICE

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.01 Definitions. Except where the context otherwise requires, the following terms when used in these General Terms and Conditions, the Toll Schedules and in a Service Agreement shall have the following meanings:

"acid gas" means a gaseous substance composed of carbon dioxide gas and sulphur gas.

"Acid Gas Constraint Volume" means in respect of acid gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper for processing at a Processing Plant on any day on which a curtailment or interruption of Treatment Service is in effect, the maximum volume of acid gas contained in raw gas which the shipper may deliver to Westcoast on any such day as specified in a notice given to each such Shipper pursuant to Section 27.05, Section 28.06 or Section 29.06

"acid gas percentage" means that proportion (expressed as a percentage by volume) of raw gas which is comprised of acid gas.

"Acid Gas Receipt Volume" means in respect of acid gas contained in raw gas produced from a Production Source and delivered into the Pipeline System at a Receipt Point by or for the account of a Shipper on any day, the actual volume of acid gas contained in the Raw Gas Receipt Volume so delivered at the Receipt Point on any such day.

"Acid Gas Tolerance" means in respect of acid gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the Acid Gas Tolerance determined by Westcoast any such day in accordance with Section 25.04.

"actively transport" means for the purposes of the definitions of "Non-Supply Shipper" and "Inventory Transfer Shipper" and as at the time at which the determination is made by Westcoast, either (i) the Shipper has had residue gas transported for its account in Zone 3 or Zone 4 to or from Compressor Station No. 2 during the period of six months immediately preceding the time at which such determination is made by Westcoast or (ii) the Shipper has demonstrated to the satisfaction of Westcoast that it will in the immediate future have residue gas transported for its account in Zone 3 or Zone 4 to or from Compressor Station No. 2.

"Aggregate Acid Gas Receipt Volume" means in respect of acid gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the aggregate of the Acid Gas Receipt Volumes so delivered for processing at the Processing Plant on any such day.

"Aggregate Raw Gas Receipt Volume" means in respect of raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the aggregate of the Raw Gas Receipt Volumes so delivered for processing at the Processing Plant on any such day.

"Aggregate Receipt Volume" means in respect of a Receipt Point the aggregate of all Raw Gas Receipt Volumes of all Shippers on any day.

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“Aggregate Sulphur Gas Receipt Volume” means in respect of sulphur gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the aggregate of the Sulphur Gas Receipt Volumes so delivered for processing at the Processing Plant on any such day.

“Aitken Creek Area” means the Aitken Creek Processing Plant and the Aitken Creek RGT Pipeline

“Aitken Creek Area Shipper” means a Shipper which has entered into a Service Agreement providing for Raw Gas Transmission Service and Treatment Service in the Aitken Creek Area.

“Aitken Creek Pipeline” means the 12 inch and 16 inch residue gas transmission pipelines owned by Westcoast and extending from the Aitken Creek Processing Plant and the Storage Reservoir to the Fort Nelson Mainline.

“Aitken Creek Processing Plant” means the facilities owned by Westcoast for the processing of raw gas located in Block A of District Lot 3964, Peace River District, in British Columbia.

“Aitken Creek RGT Pipeline” means the raw gas transmission pipeline owned by Westcoast and designated as the Aitken Creek Connector Pipeline through which raw gas is delivered to the Aitken Creek Processing Plant.

“Alberta Mainline” means the residue gas pipeline owned by Westcoast and extending from the NOVA/Gordondale Interconnection to Compressor Station No. 1, and includes any residue gas laterals owned by Westcoast and connected to that pipeline.

“Alliance” means Alliance Pipeline Limited Partnership.

“Alliance/Gordondale Interconnection” means the point where the Pipeline System connects with the pipeline facilities of Alliance in the NE ¼ of Section 2, Township 79, Range 12, W6M in Alberta.

“Arco Delivery Point” means the point in the Export Delivery Area where the Pipeline System interconnects with the pipeline facilities of Arco Products Company.

“Area” means the Fort Nelson Area, the Fort St. John Area, the Aitken Creek Area, the Grizzly Valley Area, the Dawson Area or the Sikanni Area.

“Authorized Overrun Service” or “AOS” means the daily service entitlement available, on the terms and conditions set out in Section 2.11, to a Shipper as an attribute of each Firm Transportation Service - Northern and Firm Transportation Service - Southern specified in a Service Agreement between the Shipper and Westcoast.

“Authorized Receipt Volume” means:

- (a) in respect of residue gas produced at a Processing Plant, other than the Dawson Processing Plant and the Fort Nelson North Processing Plant, and delivered into Zone 3 of the Pipeline System from the outlet of the Processing Plant, the volumes of

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residue gas authorized by Westcoast for delivery for the account of the Shipper into Zone 3 from the outlet of that Processing Plant on any day pursuant to Article 4; and

- (b) in respect of residue gas produced by an Upstream Supplier and delivered into the Pipeline System at a Receipt Point in Zone 3 or Zone 4, the volume of residue gas authorized by Westcoast for delivery by or for the account of the Shipper at that Receipt Point on any day pursuant to Article 4.

"Authorized Volume" means the volume of residue gas authorized by Westcoast for delivery to or for the account of a Shipper at a Delivery Point on any day pursuant to Article 4.

"Average Daily Scheduled Quantity" means in respect of a Non-Supply Shipper for each month the arithmetic average of the daily quantity of residue gas transported for the account of that Non-Supply Shipper to or from Compressor Station No. 2, whichever is the greater, during the 30 day period ending on the 20th day of the immediately preceding month.

"Balancing Tolerance Range" means:

- (a) in respect of each Shipper specified in Section 6.01 other than the Straddle Plant Operator for each day, the balancing tolerance range determined by Westcoast for each such Shipper for each such day in accordance with Section 6.02;
- (b) in respect of the Straddle Plant Operator for each day, a balancing tolerance range which has (i) an upper limit equal to 25,000 gigajoules and (ii) a lower limit equal to minus 25,000 gigajoules; and
- (c) in respect of each Non-Supply Shipper for each month, the balancing tolerance range determined by Westcoast for each such Non-Supply Shipper for each such month in accordance with Section 6.23.

"Bid Recipient" means an independent third party designated by Westcoast in accordance with Section 9.17 or Section 24.10.

"Boundary Lake Pipeline" means the residue gas pipeline owned by Westcoast and extending from the NOVA/Boundary Lake Interconnection to Compressor Station No. 1, and includes any residue gas laterals owned by Westcoast and connected to that pipeline.

"Bundled Field Service" means Treatment Service, Liquids Recovery Service and Liquid Products Stabilization and Fractionation Service provided as Standard Service or Negotiated Service at the McMahan Processing Plant pursuant to a Service Agreement in which a single toll is prescribed for those three services.

"Business Day" means any day other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia, or Calgary, Alberta.

"Calculated Production Value" means the daily average quantity of residue gas determined for each Shipper for each day in accordance with Section 6.02.

"Canadian Gas Price Reporter" means the publication entitled "Canadian Gas Price Reporter" published monthly in Canada by Canadian Enerdata Ltd.

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"carbon dioxide gas" means a gaseous substance composed of carbon dioxide.

"carbon dioxide limit" means the maximum volume of carbon dioxide gas permitted for purposes of Treatment Service, as specified in a Firm Service Agreement.

"Cascade Delivery Point" means the point in the Export Delivery Area where the Pipeline System connects with the pipeline facilities of Cascade Natural Gas Corporation.

"Central Clock Time" or "CCT" means Central Standard Time or Central Daylight Saving Time, whichever is in effect on any day.

"CGPR Price" means the weighted average price in dollars per gigajoule specified as the average "Daily Spot Gas Price at Station 2, BC" for any day or, in the case of a Saturday or Sunday, for the weekend, as reported in the Canadian Gas Price Reporter.

"Commodity Toll" means, in respect of any Interruptible Service or any Firm Service, the commodity charges for that service prescribed in the Toll Schedules.

"Compressor Station No. 1" means Westcoast's compressor station no. 1 located near Taylor, British Columbia.

"Compressor Station No. 2" means Westcoast's compressor station no. 2 located near Chetwynd, British Columbia.

"Condensate" means pentanes and heavier liquid hydrocarbons.

"Constraint Level" means

- (a) in respect of a Processing Plant, the maximum volume of raw gas, acid gas, and sulphur gas, respectively, which Westcoast determines pursuant to Section 25.03 can be processed at that Processing Plant on any day; and
- (b) in respect of the Receipt Points within a Zone 3 Corridor and each Receipt Point in Zone 4, the maximum volume of residue gas which Westcoast determines pursuant to Section 25.08 can be delivered into the Pipeline System at the Receipt Points within such Zone 3 Corridor or at such Receipt Point in Zone 4 on any day.

"Contract Demand" means

- (a) in respect of Firm Raw Gas Transmission Service to be provided by Westcoast pursuant to a Service Agreement, the maximum volume of raw gas specified in that Service Agreement that Westcoast is obligated to accept on any day at a Receipt Point from a Shipper, without curtailment or interruption;
- (b) in respect of Firm Treatment Service to be provided by Westcoast pursuant to a Service Agreement, the maximum volume of residue gas specified in that Service Agreement that Westcoast is obligated to deliver on any day at the outlet of a Processing Plant, without curtailment or interruption;

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- (c) in respect of Firm Liquids Recovery Service and Liquid Products Stabilization and Fractionation Service to be provided by Westcoast pursuant to a Service Agreement, the maximum quantity of Liquid Products specified in that Service Agreement that Westcoast is obligated to deliver on any day at the Liquid Products Delivery Points or into storage without curtailment or interruption;
- (d) in respect of Firm Bundled Field Service to be provided by Westcoast pursuant to a Service Agreement, the maximum volume of residue gas and the maximum volume of Liquids Products specified in that Service Agreement that Westcoast is obligated to deliver on any day at the outlet of the McMahon Processing Plant and at the Liquid Products Delivery Points or into storage, respectively, without curtailment or interruption;
- (e) in respect of Firm Fuel Gas Service to be provided by Westcoast pursuant to a Service Agreement, the maximum quantity of residue gas specified in that Service Agreement that Westcoast is obligated to deliver on any day at a Delivery Point on the Fuel Gas Pipelines without curtailment or interruption;
- (f) in respect of Transportation Service - Northern Long Haul, Transportation Service - Northern Short Haul, Temporary Firm Service Long Haul, Temporary Firm Service Short Haul and Short Term Firm Service in Zone 3 to be provided by Westcoast pursuant to a Firm Service Agreement, the maximum volume of residue gas specified in that Firm Service Agreement that Westcoast is obligated (i) to deliver on any day at a Delivery Point in Zone 3, or (ii) to transmit through Zone 3 for the account of the Shipper on any day, without curtailment or interruption; and
- (g) in respect of Transportation Service-Southern and Short Term Firm Service in Zone 4 to be provided by Westcoast pursuant to a Firm Service Agreement, the maximum volume of residue gas specified in that Firm Service Agreement that Westcoast is obligated to deliver on any day at a Delivery Point in Zone 4, without curtailment or interruption.

"Contract Demand Credits" means any credits provided to a Shipper by Westcoast pursuant to Article 8.

"Contracted Residue Gas" means residue gas physically processed at the McMahon Processing Plant and residue gas physically delivered to Compressor Station No. 1 through the Alberta Mainline and the Boundary Lake Pipeline, other than gas delivered into the Alberta Mainline at the Receipt Points designated as Parkland, West Doe Creek and the NOVA/Gordondale Interconnection, which has been directed by the Shipper thereof to the Straddle Plant Operator at the Straddle Plant Delivery Point pursuant to Section 16.02(c).

"Corresponding Firm Transportation Service" means a Firm Transportation Service - Northern or Firm Transportation Service – Southern specified in a Firm Service Agreement in respect of which a Shipper is entitled to AOS in accordance with Section 2.11.

"cubic meter" or "m³" means, when used in reference to gas, the volume of gas which occupies one cubic meter when such gas is at a temperature of 15°C and at an absolute pressure of 101.325 kilopascals and, when used in reference to Liquid Products, the amount

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of liquid which occupies one cubic meter when such liquid is at a temperature of 15°C and at an absolute pressure which is the higher of 101.325 kilopascals or the natural vapour pressure of the liquid.

"Cumulative Supply Imbalance" means in respect of each Shipper for each day, the net supply imbalance determined by Westcoast for each such Shipper for each such day by aggregating the supply imbalances recorded in each of the Upstream Balancing Accounts and the Supply Account, if any, maintained for each such Shipper in accordance with Sections 6.05 and 6.21, as reported by Westcoast to each such Shipper in accordance with Section 6.07.

"Customer Interface Agreement" means an agreement between a Shipper and Westcoast providing for electronic data communications between the Shipper and Westcoast.

"Daily Authorized Entitlement" means, in respect of any Liquid Product for any day, the quantity of that Liquid Product which a Shipper is entitled to receive on that day pursuant to Section 22.07.

"Daily Demand Toll" means for each month:

- (a) in respect of Firm Fuel Gas Service, an amount equal to the Daily Equivalent of the Demand Toll for each such service; and
- (b) in respect of Firm Transportation Service - Northern, Firm Transportation Service – Southern, Temporary Firm Service and Short Term Firm Service, an amount equal to the average, weighted by the Contract Demand, of (i) the Daily Equivalent of the Demand Tolls for such Transportation Service and Temporary Firm Service and (ii) the Demand Tolls for Short Term Firm Service payable by a Shipper for such services provided between the same two points in Zone 3 or Zone 4, respectively.

"Daily Equivalent" means in respect of a monthly Demand Toll, an amount determined by multiplying the monthly Demand Toll by 12 and by dividing the product so obtained by the number of days in the year.

"Dawson Area" means the Dawson Processing Plant and the Dawson RGT Pipeline.

"Dawson Liquids" means liquid hydrocarbons consisting of stabilized Condensate and an unfractionated mixture of propane and heavier liquid hydrocarbons recovered by Westcoast at the Dawson Processing Plant.

"Dawson Processing Plant" means the facilities owned by Westcoast for the processing of raw gas located in the North ½ of Section 26, Township 78, Range 17, W6M, Peace River District in British Columbia.

"Dawson RGT Pipeline" means the raw gas transmission pipeline owned by Westcoast through which raw gas is delivered to the Dawson Processing Plant.

"day" means a period of 24 consecutive hours beginning at 0900 hours Central Clock Time.

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"Delivery Point" means the point specified in a Service Agreement where Westcoast delivers gas to or for the account of a Shipper and includes (i) the Straddle Plant Delivery Point, (ii) in the case of a diversion in Zone 4 made pursuant to Section 7.01, an alternate Delivery Point in the Huntingdon Delivery Area, an Upstream Delivery Point or a Downstream Delivery Point and (iii) in the case of a diversion in Zone 3 made pursuant to Section 7.06 or Section 7.07, an Equivalent Delivery Point or an alternate Delivery Point.

"Demand Toll" means for each month:

- (a) in respect of any Firm RGT Service, Firm Treatment Service, Firm Liquids Recovery Service and Firm Bundled Field Service which is a Standard Service or a Negotiated Service, the demand charges for each such service specified in the applicable Service Agreement;
- (b) in respect of any Firm Fuel Gas Service which is a Negotiated Service, the demand charges for each such service specified in the applicable Service Agreement;
- (c) in respect of any Firm Transportation Service – Northern, Temporary Firm Service and Firm Transportation Service - Southern, the applicable monthly demand charges for each such service specified in the Toll Schedules; and
- (d) in respect of any STF Service, the daily demand charges for each such service specified in the applicable Service Agreement.

"Discount Rate" means for the purposes of Article 9, Westcoast's interim or final AFUDC rate in effect in any month in respect of the tolls charged for service in Zones 3 and 4.

"DST" means Pacific Daylight Saving Time.

"Downstream Delivery Point" means in respect of any Firm Service Agreement, a Delivery Point in Zone 4 which is downstream of the Delivery Point in Zone 4, outside the Huntingdon Delivery Area, which is specified in the Firm Service Agreement.

"Downstream Diversion" means in respect of any Firm Transportation Service - Southern, the diversion of that service to a Downstream Delivery Point pursuant to Section 7.01(c).

"EFM Equipment" means electronic flow measurement equipment which comprises part of the gas measuring equipment at a Receipt Point and which is connected to telecommunications facilities which permit the remote reading by Westcoast of the volume, flow and compositional data with respect to the gas delivered into the Pipeline System at the Receipt Point in accordance with Westcoast's Measurement Policies.

"Elapsed Prorata Volume" means in respect of gas delivered by Westcoast at a Delivery Point or delivered to Westcoast at a Receipt Point during any part of a day pursuant to one or more authorizations for a service given in accordance with Article 4, the sum of the volumes of gas determined in respect of each of those authorizations as follows:

- (a) in the case of an authorization which comes into effect at the beginning of the day pursuant to Sections 4.09 and 4.10, a volume of gas equal to that determined by (i) dividing the Authorized Volume or the Authorized Receipt Volume by 24 and

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(ii) multiplying the quotient so obtained by the number of hours during which the authorization was or would have been in effect; and

- (b) in of the case of an authorization which comes into effect during the day pursuant to Sections 4.09 and 4.11, a volume of gas equal to that determined by (i) subtracting from the then current Authorized Volume or Authorized Receipt Volume the sum of the volumes determined in accordance with this definition for each of the prior authorizations for the service, if any, in effect during the day and (ii) multiplying the difference so obtained by a fraction, the numerator of which is the number of hours during which the then current authorization was or would have been in effect and the denominator of which is the number of hours remaining in the day following the time at which the then current authorization came into effect.

“Enco Delivery Point” means the point in the Export Delivery Area where the Pipeline System connects with the pipeline facilities of Sumas Cogeneration Company L.P.

“Equivalent Delivery Points” means those Delivery Points in Zone 3 which Westcoast has determined are hydraulically similar and toll neutral, as specified in Section 7.06.

“Equivalent Point Diversion” means in respect of any Firm Service provided in Zone 3, the diversion of that service to an Equivalent Receipt Point or an Equivalent Delivery Point pursuant to Section 7.06.

“Equivalent Receipt Points” means those Receipt Points in Zone 3 which Westcoast has determined are hydraulically similar and toll neutral, as specified in Section 7.06.

“Estimated Yearly Heat Content Value” means the estimated total heating value of all residue gas delivered into Zone 3 of the Pipeline System from the outlet of a Processing Plant, other than the Dawson Processing Plant and the Fort Nelson North Processing Plant, and of all residue gas delivered into the Pipeline System at a Receipt Point in Zone 3 or Zone 4, as determined by Westcoast and posted on its public bulletin board in accordance with Section 4.02.

“Evening Nomination Cycle” means the Nomination Cycle for any day in respect of which a Shipper is required to give a nomination to Westcoast on the immediately preceding day by the time specified for that Nomination Cycle in Section 4.10.

“Excess Acid Gas Receipts” means in respect of acid gas contained in the raw gas produced from one or more Production Sources and delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the volume of acid gas equal to that by which the Aggregate Acid Gas Receipt Volume exceeds the sum of the Acid Gas Constraint Volume and the applicable Acid Gas Tolerance for that Shipper for that Processing Plant on any such day.

“Excess Raw Gas Receipts” means in respect of raw gas produced from one or more Production Sources and delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the volume of raw gas equal to that by which the Aggregate Raw Gas Receipt Volume exceeds the sum of the Raw Gas Constraint Volume and the applicable Raw Gas Tolerance for that Shipper for that Processing Plant on any such day.

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"Excess Residue Gas Receipts" means in respect of residue gas delivered into the Pipeline System at a Receipt Point in Zone 3 or Zone 4 by or for the account of a Shipper on any day, the volume of residue gas equal to that by which the Receipt Volume exceeds the sum of the Authorized Receipt Volumes and the applicable Residue Gas Tolerance for that Shipper in respect of that Receipt Point on any such day.

"Excess Sulphur Gas Receipts" means in respect of sulphur gas contained in raw gas produced from one or more Production Sources and delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the volume of sulphur gas equal to that by which the Aggregate Sulphur Gas Receipt Volume exceeds the sum of the Sulphur Gas Constraint Volume and the applicable Sulphur Gas Tolerance for that Shipper for that Processing Plant on any such day.

"Existing Facilities" means those facilities included in Zone 1, Zone 1A and Zone 2 of the Pipeline System which were in service on January 1, 1997 and includes any additions or modifications to those facilities made after January 1, 1997 which are required for the safe, efficient or reliable operation of those facilities at the capacity levels existing at January 1, 1997.

"Export Delivery Area" means all those points on the international boundary between Canada and the United States of America where the Pipeline System connects with pipeline facilities located in the United States of America and shall include, without limitation, the Arco Delivery Point, the Cascade Delivery Point, the Enco Delivery Point and the Northwest Delivery Point.

"Field Services" means RGT Service, Treatment Service, Liquids Recovery Service, LPSF Service, Bundled Field Service and Fuel Gas Service, and "Field Service" means any one of those services.

"Final Estimated Volume" means in respect of raw gas and residue gas delivered into the Pipeline System on any day at a Receipt Point by or for the account of a Shipper, that volume of residue gas determined by Westcoast in accordance with Section 6.04.

"Firm Contracted Capacity Percentage" means in respect of each of the months of April to October, inclusive, and for each Zone 3 Corridor and for Zone 4, respectively, the percentage obtained by dividing the aggregate Contract Demand for Firm Service contracted for each such month in each such Zone 3 Corridor and in Zone 4, respectively, by the daily capacity available to provide Firm Service in each such Zone 3 Corridor and in Zone 4, respectively, during the months of November to March, inclusive.

"Firm Service" means the obligation of Westcoast to provide, at a Shipper's request, any RGT Service, Treatment Service, Liquids Recovery Service, LPSF Service, Bundled Field Service, Fuel Gas Service, Transportation Service - Northern, Transportation Service - Southern, Temporary Firm Service or STF Service up to the applicable Contract Demand specified in the Service Agreement, without curtailment or interruption.

"Firm Service Agreement" means a Service Agreement under which Westcoast is obligated to provide Firm Service.

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"Fort Nelson Area" means the Fort Nelson Processing Plant, the Fort Nelson North Processing Plant and the Fort Nelson RGT System.

"Fort Nelson Area Shipper" means a Shipper which has entered into a Service Agreement providing for Raw Gas Transmission Service and Treatment Service in the Fort Nelson Area.

"Fort Nelson Liquids" means liquid hydrocarbons consisting primarily of Condensate recovered from time to time by Westcoast from the commingled raw gas stream at facilities located in the Fort Nelson RGT System.

"Fort Nelson Mainline" means the residue gas transmission pipelines owned by Westcoast and extending from the outlet of the Fort Nelson Processing Plant to Compressor Station No. 2, and includes any residue gas laterals owned by Westcoast and connected to those pipelines.

"Fort Nelson North Processing Plant" means the facilities owned by Westcoast for the processing of raw gas located in District Lot 4173, Peace River District in British Columbia.

"Fort Nelson Processing Plant" means the facilities owned by Westcoast for the processing of raw gas located at Fort Nelson, British Columbia.

"Fort Nelson RGT System" means the raw gas transmission pipeline system owned by Westcoast through which raw gas is delivered to the Fort Nelson Processing Plant and the Fort Nelson North Processing Plant.

"Fort St. John Area" means the McMahon Processing Plant and the Fort St. John RGT System.

"Fort St. John Mainline" means the residue gas pipelines owned by Westcoast and extending from the outlet of the McMahon Processing Plant to Compressor Station No. 2, and includes any residue gas laterals owned by Westcoast and connected to those pipelines.

"Fort St. John RGT System" and "Fort St. John Raw Gas Transmission System" mean the raw gas transmission pipeline system owned by Westcoast through which raw gas is delivered to the McMahon Processing Plant and, for the purposes of the Toll Schedule for Raw Gas Transmission Service, includes the Altken Creek RGT Pipeline and the Dawson RGT Pipeline.

"Fuel Gas Pipelines" means the residue gas pipeline facilities extending from the residue gas outlet of the Pine River Processing Plant to the West Sukunka and Brazion areas of British Columbia.

"Fuel Gas Service" means the transmission of residue gas through the Fuel Gas Pipelines.

"gas" means raw gas or residue gas as the context requires.

"General Terms and Conditions" means these General Terms and Conditions - Service, as filed with or otherwise approved by the National Energy Board and in effect from time to time.

"gigajoule" or "GJ" means 1 000 000 000 joules.

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"Grizzly Valley Area" means the Pine River Processing Plant and the Grizzly Valley RGT System.

"Grizzly Valley RGT System" means the raw gas transmission pipeline system owned by Westcoast through which raw gas is delivered to the Pine River Processing Plant.

"Huntingdon Delivery Area" means the area comprised of the Export Delivery Area and the Lower Mainland Delivery Area.

"Huntingdon Delivery Area Diversion" means in respect of any Firm Transportation Service – Southern with a Delivery Point within the Huntingdon Delivery Area, the diversion of that service to another Delivery Point within the Huntingdon Delivery Area pursuant to Section 7.01(a).

"Hydrocarbon Liquids" means raw liquid hydrocarbons which are delivered in a liquid phase into the Pipeline System with raw gas at a Receipt Point.

"Import Backhaul Service" means Interruptible Service under which a volume of gas delivered on any day through the pipeline facilities of Northwest Pipeline Corporation to the Northwest Delivery Point is delivered to a Shipper by displacement at one or more of the Delivery Points within the Inland Delivery Area, the PNG Delivery Point and Compressor Station No. 2.

"In Path Diversion" means in respect of any Firm Transportation Service – Northern, Long Haul, the diversion of that service to an alternate Receipt Point and/or an alternate Delivery Point in Zone 3 within the route of the currently contracted service pursuant to Section 7.07.

"Incremental Facilities" means any additions or modifications made after January 1, 1997 to the facilities included in Zone 1, Zone 1A and Zone 2 of the Pipeline System, other than those which constitute Existing Facilities.

"Inland Delivery Area" means the FortisBC Energy Inc. - Inland Service Area (km - post 58.9 to 747.9).

"Interruptible Service" means the obligation of Westcoast to provide, at a Shipper's request, any of Raw Gas Transmission Service, Treatment Service, Liquids Recovery Service, Liquid Products Stabilization and Fractionation Service, Bundled Field Service, Fuel Gas Service, Transportation Service-Northern Long Haul, Transportation Service-Northern Short Haul or Transportation Service-Southern up to the applicable volume of gas specified in the Service Agreement, subject to curtailment or interruption.

"Interruptible Service Agreement" means a Service Agreement under which Westcoast is obligated to provide Interruptible Service.

"Intra-Day Nomination Cycles" means the Intra-Day 1 Nomination Cycle and the Intra-Day 2 Nomination Cycle and the Intra-Day 3 Nomination Cycle and "Intra-Day Nomination Cycle" means any one of those Nomination Cycles.

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"Intra-Day 1 Nomination Cycle" means the Nomination Cycle for any day in respect of which a Shipper is required to give a nomination to Westcoast during the day by the time specified for that Nomination Cycle in Section 4.11.

"Intra-Day 2 Nomination Cycle" means the Nomination Cycle for any day in respect of which a Shipper is required to give a nomination to Westcoast during the day by the time specified for that Nomination Cycle in Section 4.11.

"Intra-Day 3 Nomination Cycle" means the Nomination Cycle for any day in respect of which a Shipper is required to give a nomination to Westcoast during the day by the time specified for that Nomination Cycle in Section 4.11.

"Inventory Transfer Account" means an account established and maintained by Westcoast for an Inventory Transfer Shipper in accordance with Section 6.21.

"Inventory Transfer Shipper" means a Shipper which has entered into a Service Agreement providing for Interruptible Transportation Service in Zone 3 or Zone 4, but which does not actively transport residue gas to or from Compressor Station No. 2.

"joule" means the amount of work done when the point of application of a force of one newton is displaced a distance of one meter in the direction of the force.

"Liquid Products" means propane, butane and Condensate extracted by Westcoast from raw gas or from Raw Liquids at the McMahon Processing Plant, and "Liquid Product" means any one of them.

"Liquid Products Delivery Points" means those locations designated by Westcoast from time to time at which Liquid Products are delivered by Westcoast to a Shipper.

"Liquids Recovery Service" means the extraction of liquid hydrocarbons from raw gas at the McMahon Processing Plant.

"litre" means the amount of liquid which occupies 0.001 cubic meter, when such liquid is at a temperature of 15°C and at an absolute pressure which is the higher of 101.325 kilopascals or the natural vapour pressure of the liquid.

"Low Intervention Trade Transactions" has the meaning given to that term in MC Bulletin G-14.

"Lower Mainland Delivery Area" means the FortisBC Energy Inc. - Lower Mainland Service Area (km - post 835.9 to 917.6).

"LPG" means liquefied petroleum gas consisting of propane or butane or any mixture thereof.

"LPSF Service" and "Liquid Products Stabilization and Fractionation Service" mean the stabilization and fractionation of liquid hydrocarbons to produce Liquid Products at the McMahon Processing Plant.

"MC Bulletin G-14" means Bulletin G-14 issued by Measurement Canada pursuant to the Electricity and Gas Inspection Act (Canada), as it may be amended from time to time.

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"McMahon Processing Plant" means the facilities owned by Westcoast for the processing of raw gas located at Taylor, British Columbia and, for the purposes of the Toll Schedule for Treatment Service, includes the Aitken Creek Processing Plant and the Dawson Processing Plant.

"megajoule" or "MJ" means 1 000 000 joules.

"Metered Delivery Volume" means in respect of the Straddle Plant Delivery Point for any day, the total volume of residue gas determined by Westcoast at the end of each such day to have been delivered by Westcoast to the Straddle Plant Operator at the Straddle Plant Delivery Point on each such day.

"millilitre" or "mL" means the amount of liquid which occupies 0.001 litre.

"Minimum STF Service Toll" means in respect of any Short Term Firm Service, the minimum Demand Toll expressed in dollars per 10^3 m^3 per day, specified by Westcoast for any such service pursuant to Section 24.06, which, for the period November through March inclusive and for the period April through October inclusive, shall not be less than the dollar amount of the applicable Commodity Toll for Interruptible Transportation Service provided between the same Receipt Point and Delivery Point.

"month" means the period of time commencing at the beginning of the first day of any month and ending at the beginning of the first day of the next succeeding month.

"Monthly Adjusted Entitlement" means, in respect of any Liquid Product and for any month, the quantity of that Liquid Product that a Shipper was entitled to receive in that month pursuant to Section 22.12.

"Monthly Liquid Product Measurement Adjustment" means, in respect of any Liquid Product, the amount by which the total quantity of Liquid Product actually taken by a Shipper in any month exceeds or is less than the Monthly Adjusted Entitlement for such month.

"Natural Gas Liquids" means ethane, propane, butane and Condensate extracted and recovered from residue gas in the Straddle Plant.

"Negotiated" means when used with reference to any Field Service, including Fuel Gas Service, such a service which is provided by Westcoast as a Negotiated Service.

"Negotiated Service" means any Firm Field Service and any Interruptible Field Service, including Fuel Gas Service, provided by Westcoast on Existing Facilities and Incremental Facilities pursuant to a Service Agreement in respect of which the Shipper and Westcoast may negotiate certain of the terms and conditions of service in accordance with Section 2.02(c).

"Nomination Cycles" means the Timely Nomination Cycle, the Evening Nomination Cycle, the Intra-Day 1 Nomination Cycle, the Intra-Day 2 Nomination Cycle and the Intra-Day 3 Nomination Cycle, and "Nomination Cycle" means any one of the those Nomination Cycles.

"Non-Supply Account" means an account established and maintained by Westcoast for a Non-Supply Shipper in accordance with Section 6.21.

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"Non-Supply Account Imbalance" means in respect of each Non-Supply Shipper for each day, the imbalance determined for each such day as recorded by Westcoast in the Non-Supply Account maintained for each such Non-Supply Shipper in accordance with Section 6.21, as reported by Westcoast in accordance with Section 6.24.

"Non-Supply Shipper" means a Shipper, other than a Supply Shipper, which either (i) has entered into a Service Agreement providing for Firm Transportation Service in Zone 3 or Zone 4 or (ii) actively transports residue gas to or from Compressor Station No. 2 pursuant to an Interruptible Service Agreement.

"Northwest Delivery Point" means the point in the Export Delivery Area where the Pipeline System connects with the pipeline facilities of Northwest Pipeline Corporation.

"NOVA" means NOVA Gas Transmission Ltd.

"NOVA/Boundary Lake Interconnection" means the point where the Pipeline System connects with the pipeline facilities of NOVA in the SE 1/4 of Section 16, Township 85, Range 13, W6M in Alberta.

"NOVA/Gordondale Interconnection" means the point where the Pipeline System connects with the pipeline facilities of NOVA in the NE 1/4 of Section 2, Township 79, Range 12, W6M in Alberta.

"NOVA/Komie East Delivery Point" means the point where the Pipeline System connects with the pipeline facilities of NOVA within the lands described as P&NG Grid System unit d-48-1/94-P-4, Peace River District in British Columbia.

"NOVA/Tremblay Delivery Point" means the point where the Pipeline System connects with the pipeline facilities of NOVA in the SE 1/4 of Section 27, Township 78, Range 17, W6M, Peace River District in British Columbia.

"Out of Path Diversion" means in respect of any Firm Transportation Service – Northern, Long Haul, the diversion of that service to an alternate Receipt Point and/or an alternate Delivery Point in Zone 3 outside the route of the currently contracted service pursuant to Section 7.07.

"Permanent In Path Relocation" means in respect of any Firm Transportation Service – Northern, the permanent relocation of the Receipt Point and/or Delivery Point for such service to another location in Zone 3 within the route of the currently contracted service, and includes the permanent relocation of the Receipt Point to an Equivalent Receipt Point and/or the Delivery Point to an Equivalent Delivery Point.

"Permanent Out of Path Relocation" means in respect of any Firm Transportation Service – Northern, the permanent relocation of the Receipt Point and/or Delivery Point for such service to another location in Zone 3 outside the route of the currently contracted service.

"Pine River Mainline" means the residue gas pipeline extending from the outlet of the Pine River Processing Plant to Compressor Station No. 2, and includes any residue gas laterals owned by Westcoast and connected to that pipeline, but does not include the Fuel Gas Pipelines.

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"Pine River Processing Plant" means the facilities owned by Westcoast for the processing of raw gas located at Pine River, British Columbia.

"Pipeline System" means the raw gas transmission, processing and residue gas transmission facilities owned by Westcoast within British Columbia, Alberta, the Yukon and the Northwest Territories.

"PNG Delivery Point" means the point where the Pipeline System connects with the pipeline facilities of Pacific Northern Gas Ltd.

"Predicted Volume" means in respect of raw gas and residue gas delivered into the Pipeline System on any day at a Receipt Point by or for the account of a Shipper, that volume of residue gas determined by Westcoast in accordance with Section 6.03.

"Processing Plants" means the McMahon Processing Plant, the Pine River Processing Plant, the Fort Nelson Processing Plant, the Fort Nelson North Processing Plant, the Sikanni Processing Plant, the Dawson Processing Plant and the Aitken Creek Processing Plant, and "Processing Plant" means any one of them.

"Production Source" means in respect of any gas well, the production source grouping for that gas well as approved by Westcoast pursuant to Article 26.

"PST" means Pacific Standard Time.

"raw gas" means natural gas produced from wells.

"Raw Gas Constraint Volume" means in respect of raw gas produced from one or more Production Sources and delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper for processing at a Processing Plant on any day on which a curtailment or interruption of Treatment Service is in effect, the maximum volume of raw gas which the Shipper may deliver to Westcoast on any such day, as specified in a notice given to each such Shipper by Westcoast pursuant to Section 27.05, Section 28.06, or Section 29.06.

"Raw Gas Receipt Volume" means in respect of raw gas produced from a Production Source and delivered into the Pipeline System at a Receipt Point by or for the account of a Shipper on any day, the actual volume of raw gas so delivered at the Receipt Point on any such day.

"Raw Gas Tolerance" means in respect of raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the Raw Gas Tolerance determined for any such day in accordance with Section 25.04 by Westcoast.

"Raw Liquids" means the stream of propane, butane and Condensate delivered to Westcoast at the Raw Liquids Receipt Point for fractionation.

"Raw Liquids Receipt Point" means the inlet to the depropanizer feedtank at the McMahon Processing Plant.

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"Receipt Point" means the point specified in a Service Agreement where gas is delivered to Westcoast by or for the account of a Shipper and includes (i) the Straddle Plant Receipt Point and (ii) in the case of a diversion in Zone 3 made pursuant to Section 7.06 or Section 7.07, an Equivalent Receipt Point or an alternate Receipt Point.

"Receipt Point Operator" means, in respect of each Receipt Point, other than the Straddle Plant Receipt Point, at which raw gas or residue gas is delivered into the Pipeline System by or for the account of a Shipper:

- (a) in the case where such Shipper is the owner of the pipeline or other facilities which connect with the Pipeline System at such Receipt Point, such Shipper or the person appointed as the Receipt Point Operator for such Receipt Point by such Shipper pursuant to Section 5.03; and
- (b) in the case where such Shipper is not the owner of the pipeline or other facilities which connect with the Pipeline System at such Receipt Point, the owner of those pipeline or other facilities or the person appointed as the Receipt Point Operator for such Receipt Point by the owner of those facilities pursuant to Section 5.03,

and in respect of the Straddle Plant Receipt Point, the Straddle Plant Operator.

"Receipt Volume" means:

- (a) in respect of a Receipt Point at which a Shipper delivers residue gas into the Pipeline System, the volumetric equivalent as determined by Westcoast of the quantity of residue gas in gigajoules delivered by or for the account of the Shipper to Westcoast at that Receipt Point on any day; and
- (b) in respect of raw gas delivered into the Pipeline System at a Receipt Point for processing at a Processing Plant, the volume of residue gas measured at the outlet of the Processing Plant determined by Westcoast as having been derived from the volume of raw gas delivered by or for the account of a Shipper to Westcoast at the Receipt Point on any day.

"Receiving Party" means the operator of the pipeline or other facilities into which residue gas is delivered from the Pipeline System for the account of a Shipper at a Delivery Point at which the Pipeline System connects with the facilities of the operator, and includes the Straddle Plant Operator.

"Receiving Shipper" means a Shipper to which gas is transferred by an originating Shipper pursuant to Section 7.04 or Section 7.05.

"Relocation" means a Permanent In Path Relocation, a Permanent Out of Path Relocation, a Temporary In Path Relocation or a Temporary Out of Path Relocation.

"Relocation Fee" means in respect of a Permanent Out of Path Relocation of any Firm Transportation Service – Northern, an amount equal to the product obtained by multiplying the Contract Demand for such service by the applicable monthly Demand Toll for a three year service term specified in the Toll Schedule for Transportation Service – Northern, Long Haul and Short Haul.

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"residue gas" means the residue remaining after raw gas has been subjected to any or all of the following permissible processes:

- (a) the removal of any of its constituent parts other than methane, and the removal of methane to such extent as is necessary in removing other constituents; and
- (b) the compression, regulation, cooling, cleaning or any other chemical or physical process other than the addition of diluents, such as air or nitrogen, to such extent as may be required in its production, raw gas transmission, residue gas transportation, storage, removal from storage and delivery.

"Residue Gas Constraint Volume" means in respect of residue gas produced at a Processing Plant, other than the Dawson Processing Plant, for the account of a Shipper on any day on which a curtailment or interruption of Treatment Service is in effect, the maximum volume of residue gas which may be produced at the Processing Plant for the account of the Shipper on any such day, as specified in a notice given to each such Shipper by Westcoast pursuant to Section 28.06 or Section 29.06.

"Residue Gas Tolerance" means in respect of residue gas delivered into the Pipeline System at a Receipt Point within the Zone 3 Corridor or at a Receipt Point in Zone 4 on any day, the applicable Residue Gas Tolerance as determined by Westcoast in accordance with Section 25.09.

"Restricted Lateral" means any lateral pipeline owned by Westcoast which is connected to the Fort Nelson Mainline, the Fort St. John Mainline, the Alberta Mainline or the Boundary Lake Pipeline and which has a capacity which is less than the total capacity of the Receipt Points or Delivery Points located on the lateral pipeline.

"Revertible WF Service" means WF Service which has been designated as Revertible WF Service pursuant to Section 23.10 to provide for firm transmission of residue gas in Zone 4 between Compressor Station No. 2 and the Huntingdon Delivery Area all days of the year.

"RGT Flow Capability" means in respect of each Fort Nelson Area Shipper, Fort St. John Area Shipper, Grizzly Valley Area Shipper, Sikanni Area Shipper and Aitken Creek Area Shipper for each day in each month at each Receipt Point, (i) the arithmetic average of each daily volume of raw gas production for the five most recent days which daily production is delivered by each such Shipper to Westcoast at each such Receipt Point in the Fort Nelson Area, Fort St. John Area, Grizzly Valley Area, Sikanni Area or the Aitken Creek Area, as determined by Westcoast each day based upon the final estimated daily allocations of raw gas made to each such Shipper which are available at the time Westcoast makes such determination or (ii) such other daily aggregate volume of raw gas, for which any such Shipper has available supply at each Receipt Point in the Fort Nelson Area, Fort St. John Area, Grizzly Valley Area, Sikanni Area or the Aitken Creek Area on any day in any such month.

"RGT Service" and "Raw Gas Transmission Service" mean the transmission of raw gas in Zone 1.

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"RGT Systems" means the Fort Nelson RGT System, the Fort St. John RGT System and the Grizzly Valley RGT System, and "RGT System" means any one of those systems.

"Service Agreement" means a Firm Service Agreement or an Interruptible Service Agreement.

"Service Entitlement Identifier" means the identification code prescribed by Westcoast in respect of each Firm Service and Interruptible Service specified in a Service Agreement;

"Shipper" means any person who enters into a Service Agreement with Westcoast.

"Shipper Specific OFO" means an order issued by Westcoast to a Shipper pursuant to Sections 6.10 and 6.11.

"Sikanni Area" means the Sikanni Processing Plant.

"Sikanni Processing Plant" means the facilities owned by Westcoast for the processing of raw gas located in the Sikanni area of British Columbia.

"Standard" means when used with reference to any Field Service, other than Fuel Gas Service, such a service which is provided by Westcoast as a Standard Service.

"Standard Service" means any Firm Field Service and any Interruptible Field Service, other than Fuel Gas Service, specified in a Service Agreement designated as being applicable to Standard Services, and which is provided by Westcoast:

- (a) solely on Existing Facilities, in respect of which the Shipper and Westcoast may negotiate renewal rights in accordance with Section 2.02(a); and
- (b) in whole or in part on Incremental Facilities, in respect of which the Shipper and Westcoast may negotiate the term of the Service Agreement and renewal rights in accordance with Section 2.02(b).

"Station 2 Gas Price" means in respect of any day:

- (a) the CGPR Price for the day; or
- (b) if no CGPR price is reported for the day, the CGPR price for the immediately preceding day for which such price is reported.

"STF Service" or "Short Term Firm Service" means the firm transmission of residue gas in Zone 3 or Zone 4 pursuant to a Service Agreement made with a Shipper in accordance with Article 24.

"Storage Entitlement" means, in respect of any Shipper entitled to Liquid Products Stabilization and Fractionation Service for any Liquid Product, the proportion of available storage capacity for that Liquid Product at the McMahon Processing Plant to which that Shipper is entitled, such proportion to be determined monthly by Westcoast based upon (i) that Shipper's Authorized Daily Entitlements for the 30 days preceding the date of that determination and (ii) the forecast of that Shipper's Daily Authorized Entitlements, as

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provided to that Shipper by Westcoast pursuant to Section 22.05, for the month next following the date of that determination.

"Storage Reservoir" means the underground gas storage reservoir and appurtenant facilities, including piping systems, operated by Aitken Creek Gas Storage ULC in the Aitken Creek area of British Columbia and connected to the Pipeline System at the meter station owned and operated by Westcoast and located at the upstream end of the Aitken Creek Pipeline.

"Straddle Plant" means the Younger natural gas liquids extraction facility located at Taylor, British Columbia.

"Straddle Plant Delivery Point" means the point at the outlet of Westcoast's Meter Station No. 66 at which the Pipeline System interconnects with the facilities of the Straddle Plant.

"Straddle Plant Operator" means AltaGas Ltd. or such other person as may be appointed from time to time by the owners of the Straddle Plant as the operator of the Straddle Plant.

"Straddle Plant Receipt Point" means the point at the inlet of Westcoast's Meter Station No. 166 at which the facilities of the Straddle Plant connect with the Pipeline System and at which residue gas is delivered into the Pipeline System by the Straddle Plant Operator.

"Straddle Plant Shrinkage Factor" means in respect of each month commencing with the month of August 1998, that percentage factor prescribed by Westcoast for each such month and to be used for the purpose of determining a Shipper's monthly bill and any Contract Demand Credits for service in Zone 3 to the Straddle Plant Delivery Point.

"sulphur gas" means a gaseous substance composed of one or more of the following:

- (a) hydrogen sulphide; and
- (b) any other gas of which sulphur is a component.

"Sulphur Gas Constraint Volume" means in respect of sulphur gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper for processing at a Processing Plant on any day on which a curtailment or interruption of Treatment Service is in effect, the maximum volume of sulphur gas contained in raw gas which the Shipper may deliver to Westcoast on any such day, as specified in a notice given to each such Shipper pursuant to Section 27.05, Section 28.06 or Section 29.06.

"sulphur gas limit" means the maximum volume of sulphur gas permitted for purposes of Treatment Service, as specified in a Firm Service Agreement.

"Sulphur Gas Receipt Volume" means in respect of sulphur gas contained in raw gas produced from a Production Source and delivered into the Pipeline System at a Receipt Point by or for the account of a Shipper on any day, the actual volume of sulphur gas contained in the Raw Gas Receipt Volume so delivered at the Receipt Point on any such day.

"Sulphur Gas Tolerance" means in respect of sulphur gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points on any day for processing at a Processing

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Plant, the Sulphur Gas Tolerance determined by Westcoast for any such day in accordance with Section 25.04.

"Supply Account" means an account established and maintained by Westcoast for a Supply Shipper in accordance with Section 6.21.

"Supply Shipper" means a Shipper which has one or more Upstream Balancing Accounts established and maintained for the Shipper in accordance with Section 6.05 and which has entered into a Service Agreement providing for Transportation Service in Zone 3 or Zone 4, either to or from Compressor Station No. 2.

"Swing Costs" means all costs reasonably incurred by Westcoast in connection with any arrangement under which:

- (a) Westcoast acquires gas to supplement its linepack gas;
- (b) the operator of the Storage Reservoir increases or decreases its gas receipts from the Pipeline System at Westcoast's request; or
- (c) a Shipper or a Receipt Point Operator increases or decreases its deliveries of gas into the Pipeline System at Westcoast's request.

"System Gas" means the volumes of gas required by Westcoast for fuel consumed in operations, line losses and unaccounted for gas.

"System Wide OFO" means an order issued by Westcoast to all Shippers pursuant to Sections 6.10 and 6.12.

"Temporary Firm Service" means the firm transportation of residue gas in Zone 3 pursuant to a Firm Service Agreement made with a Shipper pursuant to Section 2.08.

"Temporary In Path Relocation" means in respect of any Firm Transportation Service – Northern, the temporary relocation of the Receipt Point and/or Delivery Point for such service to another location in Zone 3 within the route of the currently contracted service.

"Temporary Out of Path Relocation" means in respect of any Firm Transportation Service – Northern, the temporary relocation of the Receipt Point and/or Delivery Point for such service to another location in Zone 3 outside the route of the currently contracted service.

"10³m³" means 1 000 cubic meters of gas.

"Term Extension" means in respect of a Permanent Out of Path Relocation of any Firm Transportation Service – Northern, the extension of the term of any such service for one or more whole years pursuant to an award made by Westcoast in accordance with Section 9.13(a).

"thermal equivalent" means in respect of any volume of residue gas, the energy content of that volume of gas determined on the basis of its total heating value.

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"Timely Nomination Cycle" means the Nomination Cycle for any day in respect of which a Shipper is required to give a nomination to Westcoast on the immediately preceding day by the time specified for that Nomination Cycle in Section 4.10.

"Toll Schedules" and "Westcoast's Toll Schedules for Service" mean Westcoast's Toll Schedules for Raw Gas Transmission Service, Treatment Service, Liquids Recovery Service, LPSF Service, Bundled Field Service, Fuel Gas Service, Transportation Service - Northern and Temporary Firm Service, Transportation Service - Southern and Short Term Firm Service, as filed with or otherwise approved by the National Energy Board and in effect from time to time.

"total heating value" means the number of joules produced by the combustion at a constant pressure of one cubic meter of gas, the gas to be at a temperature of 15°C and at an absolute pressure of 101.325 kilopascals, and to be free of all water vapour, with air at the same temperature and pressure as the gas and with the products of the combustion cooled to the initial temperature of the gas and air, and when the water formed by the combustion is condensed to the liquid state.

"Transmission Reliability Percentage" means in respect of each Firm Transportation Service - Northern, Firm Transportation Service - Southern, Temporary Firm Service and Short Term Firm Service provided pursuant to a Service Agreement:

- (a) for each day in the months of November to March, inclusive, 100 percent; and
- (b) for each day in the months of April to October, inclusive, and for each Zone 3 Corridor and for Zone 4, respectively, the percentage specified in the second column of the following table determined for each such month and for each such Zone 3 Corridor and for Zone 4, respectively, based upon the applicable Firm Contracted Capacity Percentage specified in the first column of the following table:

Firm Contracted Capacity Percentage	Transmission Reliability Percentage
100%	90%
99%	91%
98%	92%
97%	93%
96%	94%
95%	95%
94%	96%
93%	97%
92%	98%
91%	99%
90% or less	100%

"Transportation Services" means Transportation Service - Northern and Transportation Service - Southern, and "Transportation Service" means either one of those services.

"Transportation Service - Northern" means the transmission of residue gas in Zone 3, other than Temporary Firm Service and Short Term Firm Service.

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“Transportation Service - Southern” means the transmission of residue gas in Zone 4, other than Short Term Firm Service.

“Transportation System Gas Ratio” means in respect of gas transmitted through each of Zone 3 and Zone 4, the quantity of that gas, expressed as a percentage, which a Shipper is required to deliver to Westcoast as the allowance for System Gas for Zone 3 and Zone 4.

“Treatment Flow Capability” means in respect of each Fort Nelson Area Shipper, Fort St. John Area Shipper, Grizzly Valley Area Shipper, Sikanni Area Shipper and each Aitken Creek Area Shipper for each day in each month, (i) the arithmetic average of the five highest daily volumes of residue gas, acid gas and sulphur gas, respectively, produced from raw gas delivered by each such Shipper to Westcoast at Receipt Points in the Fort Nelson Area, Fort St. John Area, Grizzly Valley Area, Sikanni Area or the Aitken Creek Area, as determined by Westcoast prior to the first day of each such month based upon the actual daily allocations of residue gas, acid gas and sulphur gas made to each such Shipper during the most recent month for which actual allocations are available at the time Westcoast makes such determinations or (ii) such other daily aggregate volume of residue gas, acid gas and sulphur gas, respectively, for which any such Shipper has available supply at Receipt Points in the Fort Nelson Area, Fort St. John Area, Grizzly Valley Area, Sikanni Area or the Aitken Creek Area on any day in any such month.

“Treatment Service” means the production of residue gas by means of the processing of raw gas at any of the Processing Plants to remove carbon dioxide gas, sulphur gas and other impurities and, in the case of the Dawson Processing Plant, includes the recovery of liquid hydrocarbons at that Processing Plant.

“Uncontracted Residue Gas” means residue gas physically processed at the McMahon Processing Plant and residue gas physically delivered to Compressor Station No. 1 through the Alberta Mainline and the Boundary Lake Pipeline which has not been directed by the Shipper thereof to the Straddle Plant Operator at the Straddle Plant Delivery Point pursuant to Section 16.02(c).

“Upstream Balancing Account” means a balancing account established and maintained for a Shipper at the outlet of a Processing Plant or at a Receipt Point in Zone 3 or Zone 4 in accordance with Section 6.05.

“Upstream Delivery Point” means in respect of any Firm Service Agreement, a Delivery Point in Zone 4 outside the Huntingdon Delivery Area, other than Compressor Station No. 2, which is upstream of the Delivery Point in Zone 4 specified in the Firm Service Agreement and downstream of the Receipt Point in Zone 4 specified in the Firm Service Agreement.

“Upstream Diversion” means in respect of any Firm Transportation Service - Southern, the diversion of that Firm Service to an Upstream Delivery Point pursuant to Section 7.01(b).

“Upstream Supplier” means in respect of residue gas delivered into the Pipeline System at a Receipt Point by or for the account of a Shipper, the supplier of such residue gas to the Shipper.

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“Upstream Suspense Account” means a suspense account established and maintained for a Shipper at the outlet of a Processing Plant or at a Receipt Point in Zone 3 or Zone 4 in accordance with Section 6.05.

“Weighted Average Residue to Acid Gas Ratio” means in respect of acid gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the ratio, the numerator of which is the sum of the Shipper's Receipt Volumes of residue gas allocated at the outlet of the Processing Plant and the denominator of which is the Shipper's Aggregate Acid Gas Receipt Volume for acid gas contained in the raw gas delivered for processing at the Processing Plant on any such day.

“Weighted Average Residue to Raw Gas Ratio” means in respect of raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the ratio, the numerator of which is the sum of the Shipper's Receipt Volumes of residue gas allocated at the outlet of the Processing Plant on any such day and the denominator of which is the Shipper's Aggregate Raw Gas Receipt Volume for raw gas delivered for processing at the Processing Plant on any such day.

“Weighted Average Residue to Sulphur Gas Ratio” means in respect of sulphur gas contained in raw gas delivered into the Pipeline System at one or more Receipt Points by or for the account of a Shipper on any day for processing at a Processing Plant, the ratio, the numerator of which is the sum of the Shipper's Receipt Volumes of residue gas allocated at the outlet of the Processing Plant and the denominator of which is the Shipper's Aggregate Sulphur Gas Receipt Volume for sulphur gas contained in the raw gas delivered for processing at the Processing Plant on any such day.

“Westcoast” means Westcoast Energy Inc., carrying on business as Spectra Energy Transmission.

“Westcoast's Measurement Policies” means the Raw Gas Transmission Measurement Policy and the Residue Pipeline System Measurement Policy published by Westcoast in its Shipper Handbook, as amended from time to time.

“Westcoast's Production Source Grouping Policy” means the Production Source Grouping Policy published by Westcoast in its Shipper Handbook, as amended from time to time.

“WF Service” or “Winter Firm Service” means Firm Transportation Service – Southern from a Receipt Point at Compressor Station No. 2 to a Delivery Point within the Huntingdon Delivery Area and provided only between November 1st and March 31st of each year or, when designated as Revertible WF Service, provided all days of the year pursuant to a Firm Service Agreement made with a Shipper in accordance with Article 23.

“Year-Round Service” means Firm Transportation Service – Southern provided all days of the year, other than Revertible WF Service.

“Zones” means Zone 1, Zone 1A, Zone 2, Zone 3 and Zone 4 and “Zone” means any one of those Zones.

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“Zone 1” means the raw gas transmission pipelines included in the Fort Nelson RGT System, the Fort St. John RGT System and the Grizzly Valley RGT System, the Dawson RGT Pipeline and the Aitken Creek RGT Pipeline.

“Zone 1A” means the Fuel Gas Pipelines.

“Zone 2” means the Processing Plants.

“Zone 3” means the Fort Nelson Mainline, the Fort St. John Mainline, the Pine River Mainline, the Alberta Mainline and the Boundary Lake Pipeline.

“Zone 3 Corridor” means, for the purpose of determining Transmission Reliability Percentages, each of the following sections of the residue gas transmission pipelines in Zone 3:

- (a) the Fort Nelson Mainline;
- (b) the Fort St. John Mainline;
- (c) the Boundary Lake Pipeline;
- (d) the Alberta Mainline in respect of gas to be delivered to the NOVA/Gordondale Interconnection;
- (e) the Alberta Mainline in respect of gas to be delivered to Compressor Station No. 1; and
- (f) the Pine River Mainline.

“Zone 4” means the residue gas transmission pipelines owned by Westcoast and extending from Compressor Station No. 2 to the Export Delivery Area.

1.02 Interpretation. In Service Agreements and these General Terms and Conditions:

- (a) words importing the singular include the plural and vice versa, and words importing the masculine gender include the feminine gender and vice versa;
- (b) the insertion of headings and the provision of an index are for convenience of reference only and do not affect the construction or interpretation of Service Agreements and these General Terms and Conditions;
- (c) any reference to a corporate entity includes and is also a reference to any corporate entity that is a successor to such entity;
- (d) any word, phrase or expression which is not defined in a Service Agreement or in these General Terms and Conditions and that has a generally accepted meaning in the custom and usage of the natural gas industry in western Canada shall have that meaning in a Service Agreement and these General Terms and Conditions; and

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(e) any reference in a Service Agreement and these General Terms and Conditions to the delivery of residue gas by a Shipper into the Pipeline System at a Receipt Point includes the delivery of such gas by displacement.

1.03 Governing Laws. Service Agreements and these General Terms and Conditions and all matters arising therein and therefrom, shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, and shall be treated in all respects as contracts made, entered into and to be wholly performed within the Province of British Columbia by parties domiciled and resident therein.

1.04 Service Through Alternate Facilities. If a Service Agreement provides for RGT Service through the Fort St. John RGT System to the McMahon Processing Plant, Treatment Service or Bundled Field Service at the McMahon Processing Plant or Transportation Service - Northern from a Receipt Point in Zone 3 at the outlet of the McMahon Processing Plant, Westcoast may, notwithstanding the provisions of the Service Agreement, provide such service or services to the Shipper through alternate facilities and, in those cases where Westcoast provides such service or services through alternate facilities, the Shipper shall not be entitled by means of a nomination given in accordance with Article 4, to direct Westcoast to deliver the gas, in respect of which such service or services are provided through alternate facilities, to the Straddle Plant Operator at the Straddle Plant Delivery Point.

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**ARTICLE 2
APPLICATION, NEGOTIATED SERVICE AGREEMENTS,
TERM AND RENEWAL OF SERVICES, TEMPORARY FIRM SERVICE, TREATMENT SERVICE
AND OPERATION OF THE PIPELINE SYSTEM**

- 2.01 Application. These General Terms and Conditions apply to all Field Services, Transportation Services, Temporary Firm Service and Short Term Firm Service provided by Westcoast to a Shipper pursuant to a Service Agreement, except and to the extent the General Terms and Conditions are, by a Service Agreement applicable to Negotiated Services, amended, varied or made inapplicable to such Negotiated Services with respect to the matters specified in Schedule A.
- 2.02 Negotiable Service Terms. For Standard Services and Negotiated Services, a Shipper and Westcoast may, in addition to the volumes of gas, Receipt Points, Delivery Points, acid gas percentages, carbon dioxide limits, sulphur gas limits and tolls, negotiate and include in a Service Agreement negotiated terms and conditions respecting:
- (a) in the case of any Standard Services, renewal rights; and
 - (b) in the case of any Negotiated Services, the term of the services, renewal rights and the matters specified in Schedule A.
- 2.03 Initial Term, Standard Services. The initial term of each Standard Firm RGT Service shall be one or more whole years not exceeding five years, and the initial term of each Standard Firm Treatment Service, Standard Firm Liquids Recovery Service and Standard Firm LPSF Service shall be two or more whole years not exceeding five years.
- 2.04 Renewal of Standard and Negotiated Services. A Shipper may not extend the term of any Standard Service or Negotiated Service except and to the extent provided in the Service Agreement applicable to any such Standard or Negotiated Service.
- 2.05 Minimum Term, Transportation Services. The term of each Firm Transportation Service specified in a Service Agreement, and of any renewal thereof, shall not be less than one year unless such Firm Service is made available temporarily to the Shipper pursuant to Section 2.08.
- 2.06 Renewal of Transportation Services. Subject to Section 2.07, a Shipper shall have the right to renew the term of each Firm Transportation Service specified in a Service Agreement, other than a Firm Transportation Service made available temporarily in accordance with Section 2.08, provided that:
- (a) the initial term of such Firm Transportation Service and the term of any prior renewal thereof was not less than two years; and
 - (b) the Shipper gives notice to Westcoast of its election to renew the term of any such Firm Transportation Service not less than 13 months prior to the expiry of the term of such Firm Transportation Service.

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Nothing in this Section 2.06 precludes a Shipper and Westcoast from agreeing to extend the term of a Firm Transportation Service specified in a Service Agreement at any time prior to the time prescribed in this Section for giving notice to renew the term of any such Firm Transportation Service.

- 2.07 Evidence of Supply or Market. A Shipper's right to extend the term of any Firm Service in accordance with Section 2.06, [Section 23.08](#) or of any Standard Service in accordance with any renewal rights included in a Service Agreement pursuant to Section 2.02(a), is conditional upon the Shipper delivering to Westcoast, at the time it gives notice in accordance with Section 2.06, [Section 23.08](#) or the applicable provisions of the Service Agreement, evidence satisfactory to Westcoast that the Shipper has either of a firm supply of, or a firm market for the gas in respect of which the Firm Service is to be provided for the term of the extension and, in the case where such service is provided from a Receipt Point or to a Delivery Point at the Storage Reservoir, that the Shipper has sufficient firm storage capacity available at the Storage Reservoir for the term of the extension.
- 2.08 Temporary Firm Service. If a Firm Service Agreement provides for a delayed commencement date for any Firm Transportation Service - Northern or for a future increase in the volume of Firm Transportation Service - Northern to be provided, the capacity reserved by Westcoast for such Firm Service Agreement may be made available temporarily to other Shippers as Temporary Firm Service. The following provisions apply in respect of all Temporary Firm Service specified in a Firm Service Agreement:
- (a) Temporary Firm Service shall not be renewed or extended pursuant to Section 2.06;
 - (b) the provisions of Section 7.06 relating to Equivalent Point Diversions apply to Temporary Firm Service;
 - (c) the provisions of Section 7.07 relating to In Path Diversions and Out of Path Diversions apply to Temporary Firm Service, Long Haul; and
 - (d) the provisions of Article 9 relating to Relocations in Zone 3 do not apply to Temporary Firm Service.
- 2.09 Treatment Service. The obligation of Westcoast to provide Firm Treatment Service to a Shipper on any day pursuant to a Service Agreement shall be limited to the removal from the Shipper's raw gas of:
- (a) a volume of carbon dioxide gas which does not exceed the carbon dioxide limit specified in the Service Agreement; and
 - (b) a volume of sulphur gas which does not exceed the sulphur gas limit specified in the Service Agreement.

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- 2.10 Treatment and Related Services. Notwithstanding any other provision of these General Terms and Conditions, it is a condition precedent to the availability of Treatment Service which is a Standard Service at the McMahon Processing Plant that the Shipper has contracted for an appropriate level of Liquids Recovery Service and LPSF Service at that Processing Plant, and it is a condition precedent to the availability of LPSF Service which is a Standard Service at the McMahon Processing Plant that the Shipper has contracted for an appropriate level of Treatment Service and Liquids Recovery Service at that Processing Plant.
- 2.11 Authorized Overrun Service. Each Shipper which has entered into a Firm Service Agreement providing for Firm Transportation Service - Northern or Firm Transportation Service - Southern shall be entitled to Authorized Overrun Service in respect of each such Firm Transportation Service on the following terms and conditions:
- (a) the maximum daily volume of AOS available to a Shipper on any day in respect of any Firm Transportation Service shall not exceed ten percent of the Contract Demand in effect on any such day for the Corresponding Firm Transportation Service;
 - (b) such AOS shall only be available between the Receipt Point and the Delivery Point specified in the applicable Firm Service Agreement for the Corresponding Firm Transportation Service; and
 - (c) notwithstanding Section 21.02, AOS shall not be assignable by a Shipper except in conjunction with the Corresponding Firm Transportation Service.
- 2.12 Operation of the Pipeline System. Westcoast shall retain full and exclusive right to operate the Pipeline System in a manner which, in Westcoast's sole discretion, is consistent with operating conditions and obligations as they may exist from time to time.

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GENERAL TERMS AND CONDITIONS - SERVICE**ARTICLE 9
CAPACITY ALLOCATION AND RELOCATIONS**

- 9.01 Application. The provisions of this Article apply to the allocation of all capacity which becomes available in Zones 3 and 4 for any reason, including the failure of a Shipper to exercise renewal rights in respect of any Firm Transportation Service in accordance with Section 2.06, and to Permanent In Path Relocations and Temporary In Path Relocations, but does not apply to the allocation of any capacity which is available for WF Service, which becomes available through the construction of new facilities or which is required for Short Term Firm Service.
- 9.02 Allocation Priorities. Available capacity in Zones 3 and 4 which is posted by Westcoast on its public bulletin board in any month in accordance with Section 9.04 and Permanent In Path Relocations and Temporary In Path Relocations will be awarded by Westcoast in accordance with the provisions of this Article in the following priority and sequence:
- (a) first priority shall be given to new Firm Transportation Service, which shall be awarded by Westcoast in accordance with Sections 9.08 and 9.09;
 - (b) second priority shall be given to Temporary Firm Service, which shall be awarded by Westcoast in accordance with Sections 9.08 and 9.09.
 - (c) third priority shall be given to Permanent In Path Relocations, which shall be awarded by Westcoast in accordance with Section 9.11;
 - (d) fourth priority shall be given to Temporary In Path Relocations, which shall be awarded by Westcoast in accordance with Section 9.12;
 - (e) fifth priority shall be given to Permanent Out of Path Relocations, for which the consideration is a Term Extension, which shall be awarded by Westcoast in accordance with Section 9.13;
 - (f) sixth priority shall be given to Permanent Out of Path Relocations for which the consideration is a Relocation Fee, which shall be awarded by Westcoast in accordance with Section 9.13; and
 - (g) seventh priority shall be given to Temporary Out of Path Relocations, which shall be awarded by Westcoast in accordance with Section 9.14.
- 9.03 Limitations on Relocations. Notwithstanding the provisions of Sections 9.04 to 9.07, Sections 9.11 to 9.14 and Section 9.16:
- (a) no bid shall be submitted in respect of a Relocation pursuant to Section 9.05 and no Relocation shall be awarded by Westcoast in accordance with this Article if the effect of any such Relocation would be (i) to convert any Transportation Service – Northern, Long Haul to Transportation Service – Northern, Short Haul or vice versa or (ii) to effect a Relocation of any Temporary Firm Service;

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- (b) no bid shall be submitted for any Permanent In Path Relocation or Permanent Out of Path Relocation, and no such Relocation shall be awarded by Westcoast pursuant to Section 9.11 or Section 9.13, unless, at the time such bid is submitted, the Firm Transportation Service – Northern to be relocated is renewable in accordance with Section 2.06;
- (c) no bid shall be submitted for any Permanent Out of Path Relocation for which the consideration is a Term Extension, and no such Relocation shall be awarded by Westcoast pursuant to Section 9.13, unless the Term Extension specified in such bid is one or more whole years;
- (d) no bid shall be submitted in respect of a Permanent Out of Path Relocation for which the consideration is a Relocation Fee, and no such Relocation shall be awarded by Westcoast in accordance with Section 9.13, unless, at the time such bid is submitted, the remaining term of the Firm Transportation Service – Northern is not less than three years;
- (e) all bids submitted in respect of any Relocations shall be subject to meter station capacity and other capacity constraints on the Pipeline System; and
- (f) all Temporary In Path Relocations and all Temporary Out of Path Relocations awarded by Westcoast in accordance with this Article shall be effective only for the month immediately following the day on which the Relocation was awarded by Westcoast.

9.04 Notification by Westcoast. On or before the 15th day of each month, Westcoast will post on its public bulletin board all capacity available in Zones 3 and 4 on and after the first day of the next succeeding month, together with the parameters which define the scope of the available capacity including:

- (a) the Contract Demand;
- (b) the sections of the Pipeline System within Zones 3 and 4 on which the capacity is available; and
- (c) the commencement and termination dates of the term during which such capacity is available,

and will also post the electronic mail address to which bids are to be submitted in accordance with Section 9.05.

9.05 Bids. Bids for available capacity in Zones 3 and 4 and bids for Permanent In Path Relocations and Temporary In Path Relocations shall be submitted to Westcoast at the electronic mail address posted by Westcoast in accordance with Section 9.04, prior to 1600 hours CCT on the fifth Business Day following the day upon which Westcoast posted the available capacity in accordance with Section 9.04. Each bid shall be unconditional and shall specify the parameters required to define the bid and, in the case of a bid for Firm Transportation Service or Temporary Firm Service, shall include:

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- (a) the Contract Demand which the bidder desires to secure;
- (b) the minimum Contract Demand which the bidder is prepared to accept;
- (c) the term for which the bidder requires the Firm Transportation Service or Temporary Firm Service and the commencement date of that term if it is different from that specified by Westcoast; and
- (d) the Receipt Point and the Delivery Point for the service,

and, in the case of a bid for Firm Transportation Service involving a conversion of WF Service to Year-Round Service in accordance with Section 23.07, shall include:

- (e) the Contract and Line number for the existing WF Service;
- (f) the minimum Contract Demand which the bidder is prepared to accept for conversion; and
- (g) any Term Extension proposed by the Shipper,

and, in the case of a Relocation, shall include:

- (e)(h) the Contract and Line number for the existing Firm Transportation Service – Northern;
- (f)(i) the existing Receipt Point and Delivery Point for such service;
- (g)(j) the requested Receipt Point and/or Delivery Point;
- (h)(k) in the case of a Permanent Out of Path Relocation of Firm Transportation Service – Northern for which the consideration is a Term Extension, the Term Extension proposed by the Shipper; and
- (i)(l) in the case of a Permanent Out of Path Relocation of Firm Transportation Service – Northern for which the consideration is a Relocation Fee, the Relocation Fee payable in respect of such Relocation.

9.06 Additional Bid Provisions. The following provisions shall apply to bids made in accordance with Section 9.05 in respect of capacity for Firm Transportation Service, Temporary Firm Service and Relocations:

- (a) For the purposes of the evaluation by Westcoast in accordance with Section 9.08 of bids in respect of capacity for Firm Transportation Service and Temporary Firm Service, all such bids will be deemed to have been submitted at the currently applicable Demand Toll for such service.
- (b) A bidder may submit multiple bids in respect of capacity for Firm Transportation Service or Temporary Firm Service having the same Receipt Point and Delivery Point provided that each such bid is unconditional and is not made as an alternative to any other bid submitted by such bidder.

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- (c) Except for the name of the bidder, all bids submitted to Westcoast shall be open to public examination.

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9.07 Withdrawal and Amendment of Bids. The following provisions shall apply to the withdrawal of bids for capacity for Firm Transportation Service, Temporary Firm Service and Permanent Out of Path Relocations:

- (a) A bidder may withdraw any bid for capacity for Firm Transportation Service, Temporary Firm Service or for a Permanent Out of Path Relocation which has been posted to the public bulletin board at any time prior to the time specified in Section 9.05. Thereafter, a bid shall be irrevocable.
- (b) Where a bidder withdraws a bid in respect of capacity for Firm Transportation Service, Temporary Firm Service or a Permanent Out of Path Relocation, the bidder shall not be entitled to submit a new bid for the same capacity having a lower economic value than the prior bid which was withdrawn.

9.08 Award of Firm Service. Westcoast will evaluate each bid in respect of capacity for Firm Transportation Service and for Temporary Firm Service submitted in compliance with Sections 9.05 and 9.06 on the basis of its unit economic value. The unit economic value of each such bid for Firm Transportation Service shall be the net present value of the currently applicable Demand Toll for Firm Transportation Service having the term specified in the bid, discounted at the Discount Rate. The unit economic value of each such bid for Temporary Firm Service shall be the currently applicable Demand Toll for that service. Following evaluation of the bids, Westcoast will, subject to the limitations set out in Section 9.20, first award Firm Transportation Service and then award Temporary Firm Service, in each case on the basis of the economic value of the bids received for each such service by allocating it to the bid having the highest economic value and to other bids in descending order of economic value until all the available capacity has been allocated or until all valid bids have been accepted by Westcoast. If the economic values of two or more bids are equal, Westcoast will determine the priority of those bids by applying one or more of the following criteria:

- (a) the bid with the earliest commencement date will be given the highest priority; and
- (b) the bid with the longest term will be given the highest priority.

Westcoast will notify each successful bidder of the Firm Transportation Service and Temporary Firm Service awarded to it.

9.09 Allocation Between Equal Bids for Firm Service. If, following the application of the criteria in Section 9.08, Westcoast determines that two or more bids in respect of capacity for Firm Transportation Service or Temporary Firm Service remain equal, Westcoast will allocate the available capacity for Firm Transportation Service or Temporary Firm Service in accordance with the following procedures:

- (a) Westcoast will offer the available capacity to the affected bidders pro rata on the basis of the Contract Demands specified in their bids.
- (b) Affected bidders which accept or are deemed to have accepted the capacity for Firm Transportation Service or Temporary Firm Service offered by Westcoast will be offered

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a pro rata share in any capacity for such service not accepted by another bidder, until they have been allocated the entire Contract Demand specified in their respective bids.

- (c) Any remaining capacity which has not been awarded in accordance with Subsection (b) will be allocated by way of lottery to those affected bidders which rejected the allocation of Firm Transportation Service or Temporary Firm Service made in accordance with Subsection (a). Firm Transportation Service or Temporary Firm Service up to the Contract Demand specified in the bids submitted in accordance with Sections 9.05 and 9.06 will be offered sequentially to those bidders in the order in which they are selected by lottery.

- 9.10 Acceptance of Firm Service by Bidder. If Westcoast awards or offers Firm Transportation Service or Temporary Firm Service to a bidder pursuant to this Article and if that Firm Transportation Service or Temporary Firm Service is for a Contract Demand which is less than the minimum Contract Demand specified in the bid submitted in accordance with Sections 9.05 and 9.06, the bidder shall notify Westcoast of its acceptance of that Firm Transportation Service or Temporary Firm Service within the time specified by Westcoast in its notice of the award or offer, failing which the bidder shall be deemed conclusively to have declined the award or offer. If the Firm Transportation Service or Temporary Firm Service awarded or offered to a bidder by Westcoast is equal to or exceeds the minimum Contract Demand specified in the bid submitted, the bidder shall be deemed conclusively to have accepted the award or offer.
- 9.11 Award of Permanent In Path Relocations. Subject to meter station capacity and other capacity constraints, Westcoast will award all Permanent In Path Relocations requested by Shippers by means of a bid submitted in compliance with Sections 9.03, 9.05 and 9.06. If there is a meter station capacity restriction or other capacity constraint, Westcoast will award the available capacity to the Shippers which submitted valid bids pro rata on the basis of the Contract Demand for the service in respect of which the bid was submitted.
- 9.12 Award of Temporary In Path Relocations. Subject to meter station capacity and other capacity constraints, Westcoast will award all Temporary In Path Relocations requested by Shippers by means of a bid submitted in compliance with Sections 9.03, 9.05 and 9.06. If there is a meter station capacity restriction or other capacity constraint, Westcoast will award the available capacity to the Shippers which submitted valid bids pro rata on the basis of the Contract Demand for the service in respect of which the bid was submitted.
- 9.13 Award of Permanent Out of Path Relocations. Subject to meter station capacity and other capacity constraints, Westcoast will award Permanent Out of Path Relocations requested by Shippers by means of a bid submitted in compliance with Sections 9.03, 9.05 and 9.06 on the following basis:
- (a) Westcoast will first award Permanent Out of Path Relocations for which the consideration is a Term Extension, with the highest priority being given to the longest Term Extension and, where there are capacity limitations, pro rata on the basis of the Contract Demand for such service to be relocated in respect of bids having the same Term Extension; and

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(b) Westcoast will then award Permanent Out of Path Relocations for which the consideration is a Relocation Fee and, where there are capacity limitations, pro rata on the basis of the Contract Demand for such service to be relocated.

9.14 Award of Temporary Out of Path Relocations. Subject to meter station capacity and other capacity constraints, Westcoast will award Temporary Out of Path Relocations of Firm Transportation Service – Northern requested by Shippers by means of a bid submitted in compliance with Sections 9.03, 9.05 and 9.06 pro rata on the basis on the Contract Demand for the Firm Transportation Service – Northern in respect of which bids were submitted.

9.15 Service Agreements. A bidder which accepts or which is deemed to have accepted Firm Transportation Service or Temporary Firm Service in accordance with Section 9.10 shall be bound to take up and pay for that Firm Transportation Service or Temporary Firm Service and, if so required by Westcoast, to provide security for payment in accordance with Section 10.08. Westcoast will forward to each such bidder a Service Agreement providing for the Firm Transportation Service or Temporary Firm Service so accepted for the term specified in the bid submitted in accordance with Section 9.05. The bidder shall be obligated to execute and return the Service Agreement, without modification or amendment, together with the security required by Westcoast in accordance with Section 10.08, within five Business Days of its receipt thereof, but in any event no later than two Business Days prior to the commencement of the Firm Transportation Service or Temporary Firm Service. If Westcoast provides the Firm Transportation Service or Temporary Firm Service to the bidder prior to receipt of the executed Service Agreement and security for payment required by Westcoast in accordance with Section 10.08, then:

(a) the bidder shall be deemed conclusively, without further act or formality, to have entered into a Service Agreement with Westcoast for the Firm Transportation Service or Temporary Firm Service which the bidder accepted or is deemed to have accepted; and

(b) if the bidder fails to provide the security for payment required by Westcoast within three days of the commencement of the Firm Transportation Service or Temporary Firm Service, Westcoast may, notwithstanding any other provision of these General Terms and Conditions, suspend the authorization and delivery of gas to the Shipper until the required security for payment has been provided or terminate the Service Agreement immediately without notice to the Shipper. Notwithstanding the termination of the Service Agreement, the bidder shall be liable to Westcoast for any Firm Transportation Service or Temporary Firm Service provided to the bidder prior to the termination of the Service Agreement.

9.16 Service Agreement Amendments for Relocations. A Shipper which has been awarded a Relocation in accordance with Section 9.11, 9.12, 9.13 or 9.14 shall be required to enter into an amendment to the applicable Service Agreement and, if so required by Westcoast in the case of a Permanent Out of Path Relocation or a Temporary Out of Path Relocation, to provide security or additional security for payment in accordance with Section 10.08. Westcoast will forward to each such Shipper an amendment to its Service Agreement providing for the awarded Relocation. The Shipper shall execute the amendment, without any modification, and shall return the amendment together with the security or additional security required by Westcoast in accordance with Section 10.08 and, in the case of a Permanent Out of Path Relocation awarded pursuant to Section 9.14(b), with payment of the

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Relocation Fee for such Relocation within two days of its receipt thereof, but in any event no later than two Business Days prior to the day on which the Relocation is to become effective. If the Shipper fails to return the executed amendment to its Service Agreement, the security or additional security required by Westcoast and, where applicable, payment of the Relocation Fee within the time specified in this Section, the Relocation awarded to the Shipper by Westcoast shall be deemed conclusively to be void and of no further effect.

9.17 Designation of Bid Recipient. If Westcoast determines that it would be desirable to do so, Westcoast may designate a Bid Recipient as Westcoast's agent to receive all bids to be submitted in any month in accordance with Section 9.05. Where Westcoast designates a Bid Recipient to receive bids for any month in accordance with this Section, Westcoast will specify the name and electronic mail address of the Bid Recipient in the notification posted in accordance with Section 9.04, and all bids for capacity shall be submitted to the Bid Recipient prior to the time specified in Section 9.05.

9.18 Exception, Zone 4 Capacity. Notwithstanding the provisions of Sections 9.03, 9.04, 9.05 and 9.06 requiring the submission of a bid in connection with a posting of available capacity by Westcoast, and notwithstanding the provisions of Section 9.08 and 9.09 respecting the evaluation of bids for available capacity and the awarding of capacity to the bids received, Westcoast may at any time receive a request from a prospective Shipper for Firm Transportation Service in Zone 4 from a Receipt Point at Compressor Station No. 2 to a Delivery Point within the Huntingdon Delivery Area or the Inland Delivery Area or for Enhanced T-South Service (as defined in the Tariff Supplement, Enhanced T-South Service) and may, subject to the limitations set out in Section 9.20, make an award of such Firm Transportation Service or Enhanced T-South Service to a prospective Shipper provided that, after any such award of service is made by Westcoast, the available capacity in Zone 4 between Compressor Station No. 2 and the Huntingdon Delivery Area is not less than $4\,249.2\ 10^3\text{m}^3$. A request for such Firm Transportation Service in Zone 4 or for such Enhanced T-South Service submitted to Westcoast in accordance with this Section 9.18 shall specify:

- (a) the Contract Demand which the prospective Shipper requires;
- (b) the minimum Contract Demand which the prospective Shipper is prepared to accept;
- (c) the commencement date of the term for which the prospective Shipper requires such service, which commencement date shall be the first day of a month occurring within 60 days of the date on which the request is submitted to Westcoast; and
- (d) the term for which the prospective Shipper requires such service, which term shall be a period of one year, a period of 17 to 19 months, a period of two years or a period in excess of two years,

and shall be submitted to Westcoast by E-mail at WEIcapacity@spectraenergy.com. Westcoast will award such Firm Transportation Service in Zone 4 and Enhanced T-South Service in accordance with this Section 9.18 on a first come, first served basis, based on the date and time at which each request for service is received by Westcoast. The provisions of Sections 9.10 and 9.15 respecting the acceptance of Firm Transportation Service awarded, Service Agreements and security for payment apply to any such Firm Transportation Service

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in Zone 4 and Enhanced T-South Service awarded by Westcoast in accordance with this Section 9.18.

- 9.19 Exception, Permanent In Path Relocations. Notwithstanding the limitation in Section 9.03(a)(i), a Shipper may submit a bid in accordance with Section 9.05 for a Permanent In Path Relocation of Firm Transportation Service – Northern which has the effect of converting that service from Transportation Service – Northern, Long Haul to Transportation Service – Northern, Short Haul, and Westcoast may award such a Permanent In Path Relocation to the Shipper in accordance with Section 9.11, if the Shipper agrees in the amendment to the applicable Service Agreement referred to in Section 9.16 to continue to pay to Westcoast in respect of the Firm Transportation Service – Northern as so relocated and the AOS attributed to such relocated Firm Transportation Service – Northern, the Demand Tolls for Firm Transportation Service – Northern, Long Haul and the Commodity Tolls for AOS, Long Haul, respectively, which are in effect from time to time in accordance with the Toll Schedule for Transportation Service – Northern, Long Haul and Short Haul, and Temporary Firm Service.
- 9.20 Limitations on Certain Service Awards. Awards made by Westcoast after August 12, 2013 pursuant to Section 9.06 and 9.18 of:
- (a) Firm Transportation Service in Zone 4 from a Receipt Point at Compressor Station No.2 to a Delivery Point within the Huntingdon Delivery Area having a term of 17 to 19 months shall not exceed an aggregate Contract Demand of $8\,101.8\ 10^3\text{m}^3$;
 - (b) Firm Transportation Service in Zone 4 from a Receipt Point at Compressor Station No.2 to a Delivery Point within the Inland Delivery Area having a term of 17 to 19 months shall not exceed an aggregate Contract Demand of $283.3\ 10^3\text{m}^3$; and
 - (c) Enhanced T South Service having a term of 17 to 19 months shall not exceed an aggregate Contract Demand of $396.6\ 10^3\text{m}^3$.

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GENERAL TERMS AND CONDITIONS - SERVICE**ARTICLE 23****Reserved for Future Use****WINTER FIRM SERVICE**

23.01 Application. This Article applies to WF Service provided to a Shipper in Zone 4 from a Receipt Point at Compressor Station No. 2 to a Delivery Point within the Huntingdon Delivery Area pursuant to a Firm Service Agreement entered into in accordance with this Article 23.

23.02 General Terms and Conditions. The provisions of Articles 1 to 21 inclusive of these General Terms and Conditions other than Sections 2.05 and 2.06 shall apply to a Firm Service Agreement for WF Service.

23.03 Availability and Award of Service. Westcoast may make WF Service available for contracting provided that there is no available capacity for Year-Round Service between Compressor Station No. 2 and Delivery Points within the Huntingdon Delivery Area. WF Service shall, at no time, exceed an aggregate Contract Demand of 4,532 10³m³. When made available, WF Service will be awarded based on the unit economic value, as defined in Section 9.08, of the bids.

23.04 Authorized Overrun Service. Notwithstanding any other provision of these General Terms and Conditions or any Service Agreement, a Shipper which has entered into a Firm Service Agreement for WF Service shall not be entitled to Authorized Overrun Service in respect of such WF Service unless such service is converted to Year-Round Service pursuant to Section 23.07 or designated as Reversible WF Service pursuant to Section 23.10.

23.05 Term. The term of a Firm Service Agreement for WF Service shall not be less than one year and shall have an end date of October 31.

23.06 Resourcing. Notwithstanding any other provision of these General Terms and Conditions or any Service Agreement, a Shipper may not relocate the Receipt Point or the Delivery Point specified in a Firm Service Agreement for WF Service.

23.07 Conversion to Year-Round Service. A Shipper which has entered into a Firm Service Agreement for WF Service may, subject to available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area, request to convert such service to Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area by submitting a bid in accordance with Article 9 of these General Terms and Conditions. For the purposes of evaluating a bid for conversion of WF Service, the unit economic value will be determined based on the incremental economic value gained by the conversion. In the case where WF Service has been designated as Reversible WF Service, the incremental economic value will be determined based on the value of such service absent the designation of Reversible WF Service. When submitting a bid for conversion of WF Service to Year-Round Service, the Shipper may specify an end date of the requested Year-Round Service beyond the existing end date of the WF Service. The Demand Toll applicable to the converted service will be based on the remaining term of such service from the effective date of conversion.

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23.08 Renewal of WF Service. WF Service that has an initial term of not less than two years may be renewed by the Shipper as follows:

(a) In the case where the available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area is less than the aggregate Contract Demand for WF Service (including any WF Service designated as Revertible WF Service) on the expiry of the service term of the Shipper's WF Service, such Shipper may renew such service as WF Service. The Shipper must give notice to Westcoast of its election to renew the term of such service not less than 12 months and not more than 13 months prior to the expiry of the term of such service. Any renewal of WF Service must be for a term of not less than one year with an expiry date of October 31. Any WF Service which is designated as Revertible WF Service on the expiry date will remain designated as Revertible WF Service upon renewal.

(b) In the case where the available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area is greater than the aggregate Contract Demand for WF Service (including any WF Service designated as Revertible WF Service) on the expiry of the term of the Shipper's WF Service, such Shipper may renew such service as Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area. The Shipper must give notice to Westcoast of its election to renew the term of any such service not less than 12 months and not more than 13 months prior to the expiry of the term of such service. Any renewal of WF Service as Year-Round Service must be for a term of not less than one year.

23.09 Requirement to Maintain Year-Round Service. If a Shipper which has entered into a Firm Service Agreement for WF Service declines to renew any Contract Demand under a Firm Service Agreement for any Year-Round Service which it holds between Compressor Station No. 2 and the Huntingdon Delivery Area at any time during the term of such WF Service, an equivalent volume of WF Service up to the Contract Demand of such WF Service will be converted to Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area. The Demand Toll applicable to the converted service will be based on the remaining term of such service from the effective date of conversion and will be effective as of the expiry date of the non-renewed Year Round Service.

23.10 Review of WF Service. Provided that WF Service which has not been designated as Revertible WF Service is being provided at the time, Westcoast will conduct a review of the available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area every three years on March 31. If the available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area is greater than the aggregate Contract Demand for WF Service (including any WF Service designated as Revertible WF Service) for each month during the winter season (November 1 to March 31) immediately following the review date, then all WF Service will be designated as Revertible WF Service effective November 1 of the year of the review. The Demand Toll applicable to Revertible WF Service will be based on the remaining term of such service from the effective date of the designation.

In the event WF Service which has not been designated as Revertible WF Service is not being provided at the time, the next review will occur on the third March 31 after WF Service which has not been designated as Revertible WF Service resumes, and subsequent reviews will occur every three years on March 31.

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At any time when Reversible WF Service exists, if the available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area becomes less than the aggregate Contract Demand for Reversible WF Service, a volume of Reversible WF Service equal to the difference between the aggregate Contract Demand for Reversible WF Service and the available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area will lose its designation as Reversible WF Service on a *pro rata* basis based on each Shipper's share of WF Service, effective the date of the change in available capacity for Year-Round Service between Compressor Station No. 2 and the Huntingdon Delivery Area.

23.11 Additional Facilities. Nothing in these General Terms and Conditions and nothing in a Firm Service Agreement for WF Service shall be interpreted or construed to obligate Westcoast to construct any additional pipeline facilities in order to provide WF Service to a Shipper.