

July 20, 2009

National Energy Board  
444 Seventh Avenue S.W.  
Calgary, Alberta  
T2P 0X8

Filed Electronically

**Attention: Ms. Claudine Dutil-Berry  
Secretary of the Board**

Dear Madam:

**Re: NOVA Gas Transmission Ltd. (“NGTL”)  
Alberta System  
Measurement Canada Bulletin G-14 Tariff Amendments**

NGTL requests National Energy Board (“Board”) approval pursuant to section 19 and Part IV of the *National Energy Board Act*, for an order approving certain amendments to the NGTL Gas Transportation Tariff, (“Tariff”) required to comply with Measurement Canada’s Bulletin G-14, “Policy on Granting Conditional Permission for Using Gas Meters in Service without Verification and Sealing at the Low Intervention Trade Transaction Level of the Natural Gas Market” (“Bulletin G-14”). Effective June 8, 2009, Bulletin G-14 sets out the terms and conditions under which meter owners can apply for and obtain permission from Measurement Canada to implement low intervention measurement procedures, including the requirement for certain provisions to be added to the Tariff.

The proposed amendments were presented to the Tolls, Tariff, Facilities and Procedures (“TTFP”) and in a vote on July 14, 2009, were unopposed by the TTFP in Resolution T2009-02: Measurement Canada Bulletin G-14 Tariff Amendments (“TTFP Resolution T2009-02”).

The following attachments are provided for the Board’s information:

- Attachment 1: a copy of TTFP Resolution T2009-02;
- Attachment 2: a copy of Bulletin G-14;
- Attachment 3: black-lined copies of the relevant pages of the Tariff illustrating the proposed amendments; and
- Attachment 4: clean copies of the Tariff incorporating the proposed amendments.

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Ms. C. Dutil-Berry

NGTL is making this filing electronically by placing it in the electronic filing repository of the Board, and will notify the TTFP and its shippers of the filing.

Please direct all notices and communications regarding this matter to Stella Morin by e-mail at stella\_morin@transcanada.com and alberta\_system@transcanada.com, or by phone at (403) 920-6844.

Yours truly,

**NOVA Gas Transmission Ltd.**

a wholly owned subsidiary of TransCanada PipeLines Limited

*Original signed by*

Stella Morin  
Project Manager, Regulatory Services

Attachments

cc: Tolls, Tariff, Facilities and Procedures Committee  
Alberta System Shippers

**Attachment 1**  
**TTFP Resolution T2009-02**

# Tolls, Tariff, Facilities & Procedures Committee

## Resolution

T2009-02: Measurement Canada Bulletin G-14 Tariff Amendments

### Resolution

The Tolls, Tariff, Facilities & Procedures Committee (TTFP) agrees to the amendments to NGTL's Gas Transportation Tariff (Tariff), as attached, which are required to meet the regulations contained in Measurement Canada Bulletin G-14.

### Background

At the April 14, 2009 TTFP meeting, TransCanada presented information regarding Measurement Canada Bulletin G-14 titled "Policy on Granting Conditional Permission for Using Gas Meters in Service without Verification and Sealing at the Low Intervention Trade Transaction Level of the Natural Gas Market". TransCanada then identified the Tariff changes that are required as a result of Bulletin G-14. A copy of the Tariff changes was circulated to the TTFP members for their review and consideration.

### Next Steps

TransCanada will file the amended Tariff with the NEB for approval.

**Attachment 2**  
**Bulletin G-14**



# Bulletin

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Document(s): <b>EGI Act, subsection 9(2); NGTSR Recommendation 10(b)</b>	Issue Date: <b>2009-06-08</b>	Effective Date: <b>2009-06-08</b>
	Supersedes: <b>G-14 (rev. 3)</b>	

## Policy on Granting Conditional Permission for Using Gas Meters in Service without Verification and Sealing at the Low Intervention Trade Transaction Level of the Natural Gas Market

### 1.0 Purpose

The purpose of this bulletin is to communicate the requirements for granting of conditional permission for the use of gas meters without verification and sealing, at the Low Intervention Trade Transaction level of the natural gas market.

### 2.0 Scope

**2.1** This bulletin applies to all gas meters used in metering installations where the average meter pressure equals or exceeds 100 psia and where the requirements of section 6.0 of this Bulletin have been met.

**2.2** The requirements of this bulletin apply retroactively to any gas meters that were previously granted an exemption (i.e. conditional permission) from verification and sealing under earlier versions of this bulletin.

### 3.0 Authority

A conditional permission issued by Measurement Canada (MC) in accordance with this bulletin will be granted under the authority of subsection 9(2) of the *Electricity and Gas Inspection Act*.

### 4. References

*Electricity and Gas Inspection Act* (R.S. 1985, c. E-4), s.s. 9(2)

*Electricity and Gas Inspection Regulations* (SOR/86-131), s.s. 11(2)

Measurement Canada's Senior Management Committee (SMC) Decisions on the Natural Gas Trade Sector Review (NGTSR) Recommendations (2003-01-22), Recommendation 10(b): Low Intervention

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## 5.0 Terminology

**Average Meter Pressure means:** the time weighted or the volume weighted average of the pressures exerted by the gas within a meter during the period a volume of gas is measured by the meter.

**Large Industrial End-user means:** natural gas end-use customers or purchasers that can generally be described or classified as "large industrial" or "large institutional", which are covered by a contract or a tariff agreement. The associated gas meters may be located at either of the metering points illustrated by the letters "C" and "E" in Appendix A. **Note:** Some large industrial end-users may also be a seller or purchaser of natural gas at an upstream transmission receipt point, or may own/operate a co-generation power plant. Gas contractors may use differing names and criteria for the classification of these customers. For the purposes of this bulletin, the intended meaning of the term "large industrial end-user" includes users of raw stock, power plants, steel mills, smelters, fertilizer plants, pulp and paper operations, sugar and grain processing plants, mining operations, glass manufacturing plants, cement plants, large universities, large hospitals, and other similar establishments.

**Local Distribution Company Receipt Point means:** the point of measurement where natural gas, which is of the composition suitable for retail sale, enters the distribution pipeline system of a local distribution company (LDC). This metering point is illustrated by the letter "D" in Appendix A.

**Low Intervention Trade Transactions means:** trade transactions where the basis of the charge, for the gas supplied, is obtained from a meter falling within the scope of this Bulletin, for which conditional permission was granted under the subject requirements for use without verification and sealing.

**Transmission Receipt Point means:** the point of measurement where natural gas, which is of the composition suitable for retail sale, enters a transportation pipeline for the purpose of distribution between another transmission company, a local distribution company, or an end-user. This metering point is illustrated by the letter "B" in Appendix A.

**Verification means:** all of the operations carried out by an inspector or an accredited meter verifier (authorized service provider), having the object of ascertaining and confirming that a meter entirely satisfies specified requirements. It also includes the application of a verification mark. Any reference to "verification" includes both the initial verification and subsequent reverification of a meter, whether performed by 100% inspection or through the use of statistical sampling methods authorized by MC.

## 6.0 Policy - Conditional Permission

### 6.1 General

Subject to the requirements of section 6.2, permission may be requested from MC for placing gas meters into service without verification and sealing, under the following conditions:

**6.1.1** Compliance with all requirements of this bulletin will be ascertained by MC prior to granting a conditional permission under this policy.

**6.1.2** The metering used for the Low Intervention Trade Transactions is located at either a transmission receipt point, a local distribution company receipt point, or a large industrial end-user metering point.

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**6.1.3** Subject to clauses 6.1.4, 6.1.5, and 6.1.6, a contractual agreement or a tariff agreement shall exist between the parties involved in the Low Intervention Trade Transactions, and shall contain the following information:

(a) a statement which explains that the Low Intervention Trade Transactions are to be subject to the provisions and conditions listed in MC Bulletin G-14, and that a copy of this bulletin may be viewed on MC's Web site.

(b) a statement that the subject meters will be initially calibrated and periodically recalibrated (and reprogrammed where necessary) in accordance with a process and procedures acceptable to both parties.

(c) a description of the process to be followed for resolving any measurement disputes arising between the parties.

(d) a statement acknowledging that the conditional permission being requested may restrict MC's ability to successfully conclude a measurement dispute investigation, if MC involvement were to be requested.

(e) a statement that the parties involved have agreed to the implementation of Low Intervention Trade Transactions in accordance with MC Bulletin G-14, plus a statement that either party has the right to request a revocation of the conditional permission for Low Intervention Trade Transactions, and that any request for revocation shall be presented in writing and include the reason(s) for requesting the revocation.

**6.1.4** Where Low Intervention Trade Transactions are to be implemented between parties for whom there already exists a contractual agreement or tariff agreement, the wording of that agreement need not be amended to meet the requirements of clause 6.1.3, provided that the information listed in clause 6.1.3 is formally communicated in writing to each affected party. Upon subsequent revision or renewal of the contractual agreement or tariff agreement, the information required by clause 6.1.3 shall then be added to the agreement.

**6.1.5** For trade transactions at LDC Receipt Points and Large Industrial End-user metering points, the applicant, prior to making application to MC for the conditional permission available under this bulletin, shall first obtain written consent from each of the parties with whom the applicant intends to implement Low Intervention Trade Transactions.

**6.1.6** The requirements of 6.1.5 are not applicable to applications for conditional permission which concern trade transactions occurring at Transmission Receipt Points, nor to trade transactions occurring at Large Industrial End-user metering points where the party receiving the gas is also a party delivering gas at a Transmission Receipt Point.

**6.1.7** A gas meter used in Low Intervention Trade Transactions shall:

(a) be a model which has been approved under a MC Notice of Approval, and any installed software/firmware shall be of a version that is approved in the meter's Notice of Approval.

(b) be installed and used in accordance with the requirements or conditions in the meter's Notice of Approval and any applicable MC Specification(s) for meter installation and use.

(c) be subject to all of the applicable requirements in the *Electricity and Gas Inspection Act and Regulations*, with the exception of those requirements related to meter verification, reverification, and sealing.



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(d) not have its readings used for trade transactions with parties downstream of the Transmission Receipt Point that are not named in the contractual agreement or tariff agreement, or with parties not subject to Low Intervention Trade Transactions.

(e) be calibrated and periodically recalibrated using standards which are certified and traceable to national reference standards owned by MC or National Research Council Canada (NRC), or, be calibrated and periodically recalibrated using standards which have been certified by organizations that have met MC's conditions for delegation of authority prescribed in C-D-01: "Conditions for the Delegation of Authorities for the Calibration and Certification of Standards, Measuring Apparatus and Test Equipment Pursuant to the *Electricity and Gas Inspection Act*, or, be calibrated and periodically recalibrated at a test facility recognized in Bulletin G-16, done in accordance with the requirements of Bulletin G-16. Records of these certified test results shall be retained on file by the meter owner.

## **6.2 Requests for Conditional Permission**

**6.2.1** An applicant seeking conditional permission(s) under this policy shall make application in writing to the local MC District Office, and shall include the following information:

- (a) the name and principal place of business (i.e. head office) of the applicant.
- (b) the address of each metering site where the Low Intervention Trade Transactions will be taking place.
- (c) the name of each metered party involved in the Low Intervention Trade Transactions.
- (d) a list of the meters installed at the Low Intervention Trade Transaction metering sites which are not included in the scope of the permission being requested for those sites, including identification of the meter's type, manufacturer, model, operating range(s), serial number, and inspection number (i.e. the unique identification number assigned by the meter owner).
- (e) a written attestation confirming compliance with the requirements of this bulletin.

**6.2.2** The MC District Office will review the application for completeness and then forward it to MC's Program Development Directorate (PDD) for final review and written response to the applicant.

## **6.3 Granting of a Conditional Permission**

Where MC's review of the application for conditional permission has ascertained that the requirements of this bulletin have been satisfied, conditional permission will be granted in writing by PDD, identifying the parties involved and the conditions applicable to the permission being granted.

## **6.4 Revocation of a Conditional Permission**

**6.4.1** Non-compliance by any party with the terms and conditions under which the conditional permission was granted, may result in the revocation of the permission, pursuant to section 11 of the *Electricity and Gas Inspection Act*.

**6.4.2** Submission to MC of a request from either party for revocation of the conditional permission, will result in revocation of the conditional permission for Low Intervention Trade Transactions between the requesting party and the other party, subject to clause 6.5.

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## 6.5 Request for Revocation of a Conditional Permission

Any party seeking revocation of the conditional permission associated with Low Intervention Trade Transactions shall notify in writing the other party to the transactions, and likewise shall notify the local MC District Office. Such notification shall identify:

- (a) the name of the party requesting the revocation.
- (b) the address of the metering site(s) for which the revocation is being sought.
- (c) the scope of the request (i.e. all gas meters or only some at the identified metering site(s)).
- (d) the reason(s) or rationale for requesting the revocation.

## 7.0 Revisions

The purpose of revision 4 is to:

- (a) redefine the scope of the bulletin to express it in terms of the average meter pressure value above which the conditional permission policies of the bulletin apply.
- (b) widen the scope of the bulletin by reducing the average meter pressure value from 200 psia to 100 psia, so as not to exclude metering installations where the meter pressure is less than 200 psia but the delivery pressure downstream of the meter is being boosted to a higher value.
- (c) amend the definition of Low Intervention Trade Transactions to account for the revisions made to the scope of the bulletin.
- (d) define the term "Large Industrial End-user".
- (e) amend clause 6.1.3 to communicate that the existence of a tariff agreement is acceptable as an alternative to the requirement for having a contractual agreement between parties.
- (f) add a requirement to obtain advance written consent from the parties with whom the applicant intends to implement Low Intervention Trade Transactions.
- (g) revise the list of information items that must be included in the contractual agreement or tariff agreement, and/or be communicated by some other means.
- (h) provide for the right of any party to request revocation of a conditional permission for Low Intervention Trade Transactions.
- (i) clarify that a gas meter for which the conditional permission is being requested, must be of a model or type that has been granted type approval by MC.
- (j) explain how to meet the requirement for using certified traceable standards to calibrate the gas meters for which the conditional permission has been granted.
- (k) add an appendix containing a diagram of the Natural Gas Trade Sector with identified trade transaction metering points.

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The purpose of revision 3 (2006-07-01) was to clarify that the requirements of this bulletin apply retroactively to any gas meters that were previously exempted from verification and sealing under earlier versions of this bulletin.

The purpose of revision 2 (2005-10-27) was to amend the requirements for listing the gas meters located at the metering location for which permission is being requested, and to clarify that these meters cannot be used for revenue metering of parties not included in the contractual agreement.

The purpose of revision 1 (2005-07-01) was to clarify administrative requirements for granting of the conditional permission available under this bulletin.

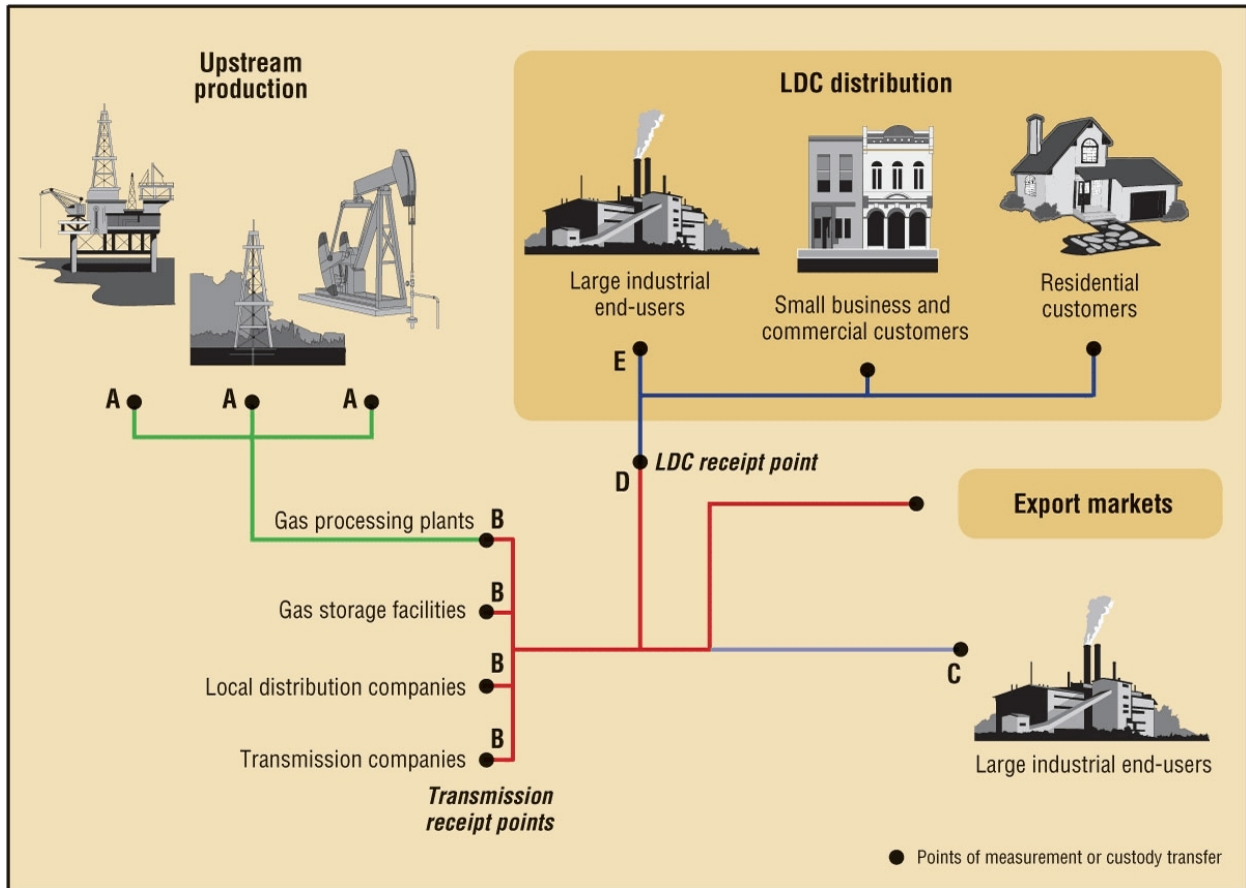
## **8.0 Additional Information**

For additional information regarding this bulletin, please contact the Senior Program Officer responsible for Gas Measurement. For more information regarding Measurement Canada and its programs, visit our Web site located at <http://mc.ic.gc.ca>.

Gilles P. Vinet  
Vice-President  
Program Development Directorate

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**Appendix A - Diagram of the Natural Gas Trade Sector**



**Attachment 3**  
**Tariff Amendments: black-lined**

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An amendment to the NGTL Tariff is currently being proposed resulting from TTFP Resolution T2009-02 Measurement Canada Bulletin G-14 Tariff Amendments. This summary has been provided for information only and is not intended to form part of the Tariff.

### **Summary of Amendments**

#### **1. General Terms and Conditions**

- (i) Added Definition **1.56**: [G-14] to define Measurement Canada Bulletin;
- (ii) Added Definition **1.70**: [Low Intervention Trade Transaction] to define the process as set out in G-14;
- (iii) Added Definition **1.80**: [MC] to define Measurement Canada; and
- (iv) Added Paragraph **4.8**: [Low Intervention Trade Transaction Level] to set out the provisions and conditions in accordance with Measurement Canada Bulletin G-14.

**1.55** “FT-RN Demand Rate” shall mean the FT-RN Demand Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule FT-RN for a particular Receipt Point.

**1.56** “G-14” shall mean Measurement Canada’s Bulletin G-14, as may be amended from time to time.

**1.561.57** “Gas” or “gas” shall mean all natural gas both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and includes all fluid hydrocarbons other than hydrocarbons that can be recovered from a pool in liquid form by ordinary production methods.

**1.571.58** “GIA” shall mean the Electricity and Gas Inspection Act, R.S.C. 1985, c. E-4, as amended, and all Regulations issued pursuant to it.

**1.581.59** “Gas Lost” shall mean that quantity of gas determined by Company to be the aggregate of:

- (i) the total quantity of gas lost as a result of a Facilities rupture or leak; and
- (ii) any Customer’s Inventory that Company reasonably determines to be unrecoverable.

**1.591.60** “Gas Used” shall mean that quantity of gas determined by Company to be the total quantity of gas used by Company in the operation, maintenance and construction of the Facilities.

**1.601.61** “Gas Year” shall mean a period of time beginning at eight hours (08:00) Mountain Standard Time on the first day of November in any year and ending at eight hours (08:00) Mountain Standard Time on the first day of November of the next year.

**1.611.62** “GJ” shall mean gigajoule, or one billion joules.

**1.621.63** “Gross Heating Value” shall mean the total MJ obtained by complete combustion of one cubic metre of gas with air, the gas to be free of all water vapour and the gas, air and products of combustion to be at standard conditions of fifteen (15) degrees Celsius and one hundred one and three hundred twenty-five thousandths (101.325) kiloPascals (absolute) and all water vapour formed by the combustion reaction condensed to the liquid state.

**1.631.64** “Interconnecting Pipeline Open Season” shall have the meaning attributed to it in subparagraph 2.3.1 of Appendix “A” of the Tariff.

**1.641.65** “IT-D Rate” shall mean the IT-D Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule IT-D.

**1.651.66** “IT-R Rate” shall mean the IT-R Rate for a particular Receipt Point in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule IT-R.

**1.661.67** “J” or “Joule” shall mean the base unit for energy as defined by the International System of Units (SI).

**1.671.68** “kPa” or “kiloPascals ” shall mean kiloPascals of pressure (gauge) unless otherwise specified.

**1.681.69** “Line Pack Gas” shall mean at any point in time that quantity of gas determined by Company to be the total quantity of gas contained in the Facilities.

**1.70** “Low Intervention Trade Transaction” shall have the meaning attributed to it in G-14, as may be amended from time to time.

**1.691.71** “LRS Billing Adjustment” shall have the meaning attributed to it in subparagraph 4.2.4 of Rate Schedule LRS.



**1.701.72** “LRS Charge” shall have the meaning attributed to it in subparagraph 4.2.3 of Rate Schedule LRS.

**1.711.73** “LRS Contract Demand” shall mean the maximum daily volume of gas Company may be required to receive from Customer and deliver at the Empress or McNeill Border Export Delivery Point under Rate Schedule LRS.

**1.721.74** “LRS Receipt Point Obligation” shall mean the period determined in subparagraph 6.2 or 6.3 of Rate Schedule LRS as the case may be.

**1.731.75** “LRS-3 Contract Demand” shall mean the maximum daily volume of gas Company may be required to receive from Customer and deliver at the Empress Border Export Delivery Point under a Schedule of Service for Service under Rate Schedule LRS-3.

**1.741.76** “LRS-3 Demand Rate” shall mean the LRS-3 Demand Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule LRS-3.

**1.751.77** “Maximum Carbon Dioxide Volume” shall mean the maximum total excess CO<sub>2</sub> Volume as determined by Company that the Company may be required to accept at a particular Receipt Point on any day, as set forth in a Schedule of Service under Rate Schedule CO<sub>2</sub>.

**1.761.78** “Maximum Delivery Pressure” shall mean relative to a Delivery Point the maximum pressure at which Company may deliver gas to Customer, as set forth in a Schedule of Service.

**1.771.79** “Maximum Receipt Pressure” shall mean relative to a Receipt Point the maximum pressure at which Company may require Customer to deliver gas, as set forth in Schedule of Service.

**1.80** “MC” shall mean Measurement Canada, an Agency of Industry Canada.

#### **4.8 Low Intervention Trade Transaction Level**

If, pursuant to the GIA and G-14, Company has received from MC, conditional permission for the use of gas metering equipment without verification and sealing, at the Low Intervention Trade Transaction level, then the following shall apply:

- (a) The Low Intervention Trade Transactions shall be subject to the provisions and conditions listed in G-14, as published on MC's website (or any replacement thereof);
- (b) Customer agrees that the gas metering equipment has been initially calibrated and will be periodically recalibrated (and reprogrammed where necessary) in accordance with a process and procedures acceptable to Customer;
- (c) Any measurement disputes arising between Company and Customer shall be resolved in accordance with the provisions of paragraph 2.6 of these General Terms and Conditions;
- (d) Company and Customer acknowledge and agree that the conditional permission granted by MC may restrict MC's ability to successfully conclude a measurement dispute investigation, if MC involvement has been requested; and
- (e) Company and Customer agree to the implementation of Low Intervention Trade Transactions in accordance with G-14 and either Company or Customer has the right to request a revocation of the conditional permission for Low Intervention Trade Transactions in accordance with G-14.

## **5.0 BILLING AND PAYMENT**

### **5.1 Billing**

On or before the twenty-first day of each month, Company shall provide on EBB a bill to Customer for Service rendered during the Billing Month. Customer shall furnish such

**Attachment 4**  
**Tariff Amendments: clean**

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**GENERAL TERMS AND CONDITIONS**

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**GENERAL TERMS AND CONDITIONS****1.0 DEFINITIONS**

In this Tariff:

- 1.1** “Act” shall mean the *National Energy Board Act*.
- 1.2** “Alberta Delivery Point” shall mean the point in Alberta where gas that is not to be removed from Alberta is delivered to Customer by Company under a Schedule of Service.
- 1.3** “Annual Plan” shall mean a document submitted annually to the Board by Company outlining the Company’s planned Facility additions and major modifications.
- 1.4** “Banking Day” shall mean any day that the Royal Bank of Canada, Main Branch, Calgary, Canada, or other financial institutions agreed to by Company, conducts business.
- 1.5** “Billing Commencement Date” shall mean the earlier of:
- (a) the Ready for Service Date; and
  - (b) the date Company commences to provide Service to Customer pursuant to a Service Agreement or Schedule of Service.
- 1.6** “Billing Month” shall mean that month which immediately precedes the month in which Company is required to provide a bill for Service.
- 1.7** “Board” shall mean the National Energy Board.
- 1.8** “Central Clock Time” or “CCT” shall mean the clock time in the Central Zone.
- 1.9** “Closing Date” shall mean the date an open season ends as posted by Company.

**1.10** “CO<sub>2</sub> Volume” shall mean the portion of the total excess volume of carbon dioxide allocated by a CSO to a Customer at a particular Receipt Point for any month under a Schedule of Service for Service under Rate Schedule CO<sub>2</sub>. The total excess volume of carbon dioxide at a Receipt Point for any month shall be determined by Company as follows:

$$\text{Total Excess CO}_2 \text{ Volume} = A \times ( B - C )$$

Where:

- “A” = the total volume of gas received by Company at such Receipt Point;
- “B” = the percentage of carbon dioxide by volume of gas received as determined by Company at such Receipt Point; and
- “C” = two (2) percent.

If “B” is less than or equal to “C”, the Total Excess CO<sub>2</sub> Volume shall be zero.

**1.11** “CO<sub>2</sub> Rate” shall mean the CO<sub>2</sub> Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule CO<sub>2</sub>.

**1.12** “Common Stream Operator” or “CSO” shall mean the person who, with respect to a Receipt Point:

- (i) provides Company with the estimates of Flow at the Receipt Point;
- (ii) provides Company with the allocation of the estimated Flow and Total Quantity for the Receipt Point to each Customer receiving Service at the Receipt Point; and
- (iii) accepts Nominations made by Company on behalf of Customers and confirms the availability of gas to meet Customer’s Nominations.

**1.13** “Company” shall mean NOVA Gas Transmission Ltd. and any successor to it.

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- 1.14** “Company’s Gas Use Price” shall mean the monthly weighted average of the “AECO/NGX Intra-Alberta Same Day Index Values” for every day of the month recorded by the Natural Gas Exchange Inc. (or its successor) as published on its website (or any replacement thereof) for the Billing Month multiplied by the average heating value of all physical gas received by Company for the Billing Month.
- 1.15** “Connecting Pipeline Operator” or “CPO” shall mean the person who, with respect to a Delivery Point, places Nominations with Company on behalf of Customers.
- 1.16** “Criteria for Determining Primary Term” shall mean the procedure for determining the Primary Term, as set out in Appendix “E” of the Tariff.
- 1.17** “Cubic Metre of Gas” shall mean that quantity of gas which, at a temperature of fifteen (15) degrees Celsius and at an absolute pressure of one hundred one and three hundred twenty-five thousandths (101.325) kiloPascals occupies a volume of one cubic metre.
- 1.18** “Customer” shall mean any Person named as a Customer in a Service Agreement or Schedule of Service.
- 1.19** “Customer Account” shall mean an account established by Company for Customer to record Customer’s transactions related to Service under one or more Rate Schedules.
- 1.20** “Customer’s Inventory” shall mean, for each Customer Account at a given time on a day, an estimated energy amount determined by Company as follows:

$$CI = (A + B) - (C + D) - E \pm F$$

Where:

“CI” = the Customer’s Inventory;

“A” = the gas received by Company from Customer at all of Customer’s Receipt Points;

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- “B” = the gas received by Customer from another Customer through title transfers;
- “C” = the gas delivered by Company to Customer at all of Customer’s Delivery Points;
- “D” = the gas delivered by Customer to another Customer through title transfers;
- “E” = the gas allocated to Customer for Gas Used, Gas Lost, and Measurement Variance; and
- “F” = the daily recovery of Customer’s Inventory imbalance as a result of:
- (i) any differences in measurement or allocations between the daily estimated gas received by Company from Customer at all of Customer’s Receipt Points and the month end actual quantity of gas received by Company from Customer at such Receipt Points;
  - (ii) any differences in measurement or allocations between the daily estimated quantity of gas delivered by Company to Customer at all of Customer’s Delivery Points and the month end actual gas delivered by Company to Customer at such Delivery Points;
  - (iii) any corrections due to measurement or allocations of gas for any prior months; and
  - (iv) Company’s administration of Customer’s Inventory at month end pursuant to paragraphs 8.2 and 8.3 in Appendix “D” of the Tariff.



- 1.21** “Daily Open Season” shall have the meaning attributed to it in subparagraph 2.6.1 of Appendix “A” of the Tariff.
- 1.22** “Daily Open Season Bid Form” shall have the meaning attributed to it in subparagraph 2.6.2(a) of Appendix “A” of the Tariff.
- 1.23** “Day” shall mean a period of twenty-four (24) consecutive hours, beginning and ending at eight hours (08:00) Mountain Standard Time.
- 1.24** “Delivery Demand Charge” shall have the meaning attributed to it in subparagraph 4.2.2 (ii) of Rate Schedule LRS.
- 1.25** “Delivery Point” shall mean the point where gas may be delivered to Customer by Company under a Schedule of Service and shall include but not be limited to Export Delivery Point, Alberta Delivery Point, Extraction Delivery Point and Storage Delivery Point.
- 1.26** “EBB” shall mean Company’s electronic bulletin board.
- 1.27** “Effective LRS Rate” shall mean the Effective LRS Rate set forth in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule LRS.
- 1.28** “Eligible LRS Contract Demand” shall have the meaning attributed to it in subparagraph 4.2.1 of Rate Schedule LRS.
- 1.29** “Eligible LRS-3 Contract Demand” shall have the meaning attributed to it in subparagraph 4.2.1 of Rate Schedule LRS-3.
- 1.30** “Eligible LRS-2 Volume” shall have the meaning attributed to it in subparagraph 4.3.2 of Rate Schedule LRS-2.
- 1.31** “Eligible Points to Point Volume” shall mean for each Schedule of Service under Rate Schedule FT-P, the lesser of:

- (i) the sum of each Points to Point Contract Demand in effect for all or a portion of the Billing Month multiplied by the number of days that the Customer was entitled to such Points to Point Contract Demand under such Schedule of Service in such month;
- (ii) the actual volume of gas received by Company from Customer at the Receipt Points under such Schedule of Service; or
- (iii) the actual volume of gas delivered by Company to Customer at the Alberta Delivery Point under such Schedule of Service.

**1.32** “ERC Adjustment” shall have the meaning attributed to it in Appendix “G” of the tariff.

**1.33** “ERC Event” shall have the meaning attributed to it in Appendix “G” of the Tariff.

**1.34** “Existing Capacity” shall have the meaning attributed to it in paragraph 2.1 of Appendix “A” of the Tariff.

**1.35** Existing Capacity Open Season” shall have the meaning attributed to it in paragraph 2.1 of Appendix “A” of the Tariff.

**1.36** “Expansion Capacity” shall have the meaning attributed to it in paragraph 3.1 of Appendix “A” of the Tariff.

**1.37** “Expansion Capacity Open Season” shall have the meaning attributed to it in paragraph 3.1 of Appendix “A” of the Tariff.

**1.38** “Expansion Closing Date” shall have the meaning attributed to it in subparagraph 3.1(c) of Appendix “A” of the Tariff.

**1.39** “Export Delivery Contract Demand” shall mean the maximum quantity of gas, expressed in GJ or as converted to GJ pursuant to paragraph 15.12, Company may be required to deliver to Customer at the Export Delivery Point on any Day, as set forth in the Schedule of Service.

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**1.40** “Export Delivery Point” shall mean any of the following points where gas is delivered to a Customer for removal from Alberta under a Schedule of Service:

Alberta-British Columbia Border

Alberta-Montana Border

Boundary Lake Border

Cold Lake Border

Demmitt #2 Interconnect

Empress Border

Gordondale Border

McNeill Border

Unity Border

**1.41** “Extraction Delivery Point” shall mean the point in Alberta where gas may be delivered to the Extraction Plant by Company for Customer under a Schedule of Service.

**1.42** “Extraction Plant” shall mean a facility connected to the Facilities where Gas liquids are extracted.

**1.43** “Extraction Receipt Point” shall mean the point in Alberta where gas may be received from the Extraction Plant by Company for Customer under a Schedule of Service.

**1.44** “Facilities” shall mean Company’s pipelines and other facilities or any part or parts thereof for the receiving, gathering, treating, transporting, storing, distributing, exchanging, handling or delivering of gas.

**1.45** “Financial Assurance” shall have the meaning attributed to it in paragraph 10.1.

**1.46** “Flow” shall mean, with respect to a Receipt Point, the rate in  $10^3\text{m}^3/\text{d}$  or GJ/d, as the case may be, that gas is being delivered into Company’s Facilities through such Receipt Point at any point in time and means with respect to a Delivery Point, the rate in  $10^3\text{m}^3/\text{d}$

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or GJ/d, as the case may be, that gas is being delivered off Company's Facilities through such Delivery Point at any point in time.

- 1.47** "FT-A Rate" shall mean the FT-A Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule FT-A.
- 1.48** "FT-D Demand Rate" shall mean the FT-D Demand Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule FT-D.
- 1.49** "FT-DW Bid Price" shall have the meaning attributed to it in article 3.0 of Rate Schedule FT-DW.
- 1.50** "FT-DW Capacity" shall have the meaning attributed to it in paragraph 4.1 of Appendix "A" of the Tariff.
- 1.51** "FT-DW Open Season" shall have the meaning attributed to it in paragraph 4.1 of Appendix "A" of the Tariff.
- 1.52** "FT-P Customer Account" shall mean an account established by Company for Customer to record Customer's transactions related to Service under Rate Schedule FT-P.
- 1.53** "FT-P Demand Rate" shall mean the FT-P Demand Rate for the distance between the particular Receipt Points and the particular Alberta Delivery Point in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule FT-P.
- 1.54** "FT-R Demand Rate" shall mean the FT-R Demand Rate for a particular Receipt Point in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule FT-R.

- 1.55** “FT-RN Demand Rate” shall mean the FT-RN Demand Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule FT-RN for a particular Receipt Point.
- 1.56** “G-14” shall mean Measurement Canada’s Bulletin G-14, as may be amended from time to time.
- 1.57** “Gas” or “gas” shall mean all natural gas both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and includes all fluid hydrocarbons other than hydrocarbons that can be recovered from a pool in liquid form by ordinary production methods.
- 1.58** “GIA” shall mean the Electricity and Gas Inspection Act, R.S.C. 1985, c. E-4, as amended, and all Regulations issued pursuant to it.
- 1.59** “Gas Lost” shall mean that quantity of gas determined by Company to be the aggregate of:
- (i) the total quantity of gas lost as a result of a Facilities rupture or leak; and
  - (ii) any Customer’s Inventory that Company reasonably determines to be unrecoverable.
- 1.60** “Gas Used” shall mean that quantity of gas determined by Company to be the total quantity of gas used by Company in the operation, maintenance and construction of the Facilities.
- 1.61** “Gas Year” shall mean a period of time beginning at eight hours (08:00) Mountain Standard Time on the first day of November in any year and ending at eight hours (08:00) Mountain Standard Time on the first day of November of the next year.
- 1.62** “GJ” shall mean gigajoule, or one billion joules.

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- 1.63** “Gross Heating Value” shall mean the total MJ obtained by complete combustion of one cubic metre of gas with air, the gas to be free of all water vapour and the gas, air and products of combustion to be at standard conditions of fifteen (15) degrees Celsius and one hundred one and three hundred twenty-five thousandths (101.325) kiloPascals (absolute) and all water vapour formed by the combustion reaction condensed to the liquid state.
- 1.64** “Interconnecting Pipeline Open Season” shall have the meaning attributed to it in subparagraph 2.3.1 of Appendix “A” of the Tariff.
- 1.65** “IT-D Rate” shall mean the IT-D Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule IT-D.
- 1.66** “IT-R Rate” shall mean the IT-R Rate for a particular Receipt Point in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule IT-R.
- 1.67** “J” or “Joule” shall mean the base unit for energy as defined by the International System of Units (SI).
- 1.68** “kPa” or “kiloPascals ” shall mean kiloPascals of pressure (gauge) unless otherwise specified.
- 1.69** “Line Pack Gas” shall mean at any point in time that quantity of gas determined by Company to be the total quantity of gas contained in the Facilities.
- 1.70** “Low Intervention Trade Transaction” shall have the meaning attributed to it in G-14, as may be amended from time to time.
- 1.71** “LRS Billing Adjustment” shall have the meaning attributed to it in subparagraph 4.2.4 of Rate Schedule LRS.

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- 1.72** “LRS Charge” shall have the meaning attributed to it in subparagraph 4.2.3 of Rate Schedule LRS.
- 1.73** “LRS Contract Demand” shall mean the maximum daily volume of gas Company may be required to receive from Customer and deliver at the Empress or McNeill Border Export Delivery Point under Rate Schedule LRS.
- 1.74** “LRS Receipt Point Obligation” shall mean the period determined in subparagraph 6.2 or 6.3 of Rate Schedule LRS as the case may be.
- 1.75** “LRS-3 Contract Demand” shall mean the maximum daily volume of gas Company may be required to receive from Customer and deliver at the Empress Border Export Delivery Point under a Schedule of Service for Service under Rate Schedule LRS-3.
- 1.76** “LRS-3 Demand Rate” shall mean the LRS-3 Demand Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule LRS-3.
- 1.77** “Maximum Carbon Dioxide Volume” shall mean the maximum total excess CO<sub>2</sub> Volume as determined by Company that the Company may be required to accept at a particular Receipt Point on any day, as set forth in a Schedule of Service under Rate Schedule CO<sub>2</sub>.
- 1.78** “Maximum Delivery Pressure” shall mean relative to a Delivery Point the maximum pressure at which Company may deliver gas to Customer, as set forth in a Schedule of Service.
- 1.79** “Maximum Receipt Pressure” shall mean relative to a Receipt Point the maximum pressure at which Company may require Customer to deliver gas, as set forth in Schedule of Service.
- 1.80** “MC” shall mean Measurement Canada, an Agency of Industry Canada.

**1.81** “Measurement Variance” shall mean, for any period, after taking into account any adjustment made in accordance with the provisions of paragraph 2.6 of these General Terms and Conditions, the energy equivalent of the amount determined as follows:

$$MV = (A + B + C) - (D + E)$$

Where:

“MV” = the Measurement Variance;

“A” = the energy equivalent of gas determined by Company to have been delivered to all Customers during the period;

“B” = the energy equivalent of the aggregate of the Gas Lost and Gas Used during the period;

“C” = the energy equivalent of Line Pack Gas at the end of the period;

“D” = the energy equivalent of gas determined by Company to have been received from all Customers during the period; and

“E” = the energy equivalent of Line Pack Gas at the beginning of the period.

**1.82** “MJ” shall mean megajoule, or one million joules.

**1.83** “Month” or “month” shall mean a period of time beginning at eight hours (08:00) Mountain Standard Time on the first day of a calendar month and ending at eight hours (08:00) Mountain Standard Time on the first day of the next calendar month.

**1.84** “Nomination” shall mean, with respect to a Receipt Point or a Delivery Point, a request for Flow made on behalf of a Customer.

**1.85** “Officer’s Certificate” shall have the meaning attributed to it in subparagraph 4.2.1 of Rate Schedule LRS for Service under Rate Schedule LRS and subparagraph 4.3.1 of Rate Schedule LRS-2 for Service under Rate Schedule LRS-2.



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- 1.86** “Open Season Bid Form” shall have the meaning attributed to it in subparagraph 2.2(a) of Appendix “A” of the Tariff.
- 1.87** “Over-Run Gas” shall mean, in respect of a Customer in a month, the aggregate quantity of gas for which an amount for over-run gas is payable by Customer in the Billing Month.
- 1.88** “OS Charge” shall mean an OS Charge in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule OS.
- 1.89** “Person” shall mean and include Company, a Customer, a corporation, a company, a partnership, an association, a joint venture, a trust, an unincorporated organization, a government, or department of a government or a section, branch, or division of a department of a government.
- 1.90** “Points to Point Contract Demand” shall mean the maximum volume of gas Company may be required to receive from Customer at particular Receipt Points and deliver to Customer at a particular Alberta Delivery Point on any day under a Schedule of Service under Rate Schedule FT-P.
- 1.91** “Price Point” shall mean Price Point “A”, Price Point “B”, or Price Point “C”, each as defined in paragraph 3.2 of Rate Schedule FT-R and Rate Schedule FT-P.
- 1.92** “Primary Term” shall mean for the purposes of any Service provided under any Schedule of Service the term calculated in accordance with the Criteria for Determining Primary Term in Appendix “E” of the Tariff.
- 1.93** “Prime Rate” shall mean the rate of interest, expressed as an annual rate of interest, announced from time to time by the Royal Bank of Canada, Main Branch, Calgary, Alberta as the reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.
- 1.94** “Project Area” shall mean each of:

- (i) the Peace River Project Area;
- (ii) the North and East Project Area; and
- (iii) the Mainline Project Area,

as described in Company's current Annual Plan. The Project Areas may be amended from time to time by Company in consultation with the Facility Liaison Committee (or any replacement of it), provided Company has given six (6) months notice of such amendment to its Customers.

- 1.95** "PT Gas Rate" shall mean the PT Gas Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule PT, based on the incremental gas requirements associated with the Facilities required to provide such Service.
- 1.96** "PT Rate" shall mean the PT Rate in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under Rate Schedule PT, based on the incremental operating costs associated with providing such Service plus ten percent.
- 1.97** "Rate Schedule" shall mean any of the schedules identified as a "Rate Schedule" included in the Tariff.
- 1.98** "Ready for Service Date" shall mean the Day designated as such by Company by written notice to Customer stating that Company has Facilities which are ready for and are capable of rendering the Service applied for by Customer.
- 1.99** "Receipt Contract Demand" shall mean the maximum volume of gas Company may be required to receive from Customer at a Receipt Point on any Day, under a Schedule of Service.
- 1.100** "Receipt Demand Charge" shall have the meaning attributed to it in subparagraph 4.2.2 (i) of Rate Schedule LRS.

- 1.101** “Receipt Point” shall mean the point in Alberta at which gas may be received from Customer by Company under a Service Agreement or Schedule of Service.
- 1.102** “STFT Bid Price” shall have the meaning attributed to it in article 3.0 of Rate Schedule STFT.
- 1.103** “STFT Capacity” shall have the meaning attributed to it in paragraph 5.1 of Appendix “A” of the Tariff.
- 1.104** “STFT Capacity Open Season” shall have the meaning attributed to it in paragraph 5.1 of Appendix “A” of the Tariff.
- 1.105** “Schedule of Service” shall mean the attachment(s) to a Service Agreement for Service under any Rate Schedule designated as “Schedule of Service” and any amendments thereto.
- 1.106** “Secondary Term” shall mean for the purposes of Service provided under any Schedule of Service any portion of the term of the Schedule of Service that is not Primary Term.
- 1.107** “Service” shall have the meaning attributed to it in article 2.0 of the applicable Rate Schedule.
- 1.108** “Service Agreement” shall mean an agreement between Company and Customer respecting Service to be provided under any Rate Schedule.
- 1.109** “Service Commencement Date” shall mean the service commencement date requested by Customer on Customer bid.
- 1.110** “Service Termination Date” shall mean the last Day in a month upon which Service shall terminate, as set forth in a Schedule of Service and subject to any renewal thereof.
- 1.111** “Storage Delivery Point” shall mean the point in Alberta where gas may be delivered to the Storage Facility by Company for Customer for ultimate receipt from such Storage Facility at the Storage Receipt Point under a Schedule of Service.

- 1.112** “Storage Facility” shall mean any commercial facility where gas is stored, that is connected to the Facilities and is available to all Customers.
- 1.113** “Storage Receipt Point” shall mean the point in Alberta where gas may be received from the Storage Facility by Company for Customer that was previously delivered to such Storage Facility at the Storage Delivery Point under a Schedule of Service.
- 1.114** “Surcharge” shall mean a Surcharge set forth in the Table of Rates, Tolls and Charges which has been fixed by Company or the Board for Service under a Rate Schedule.
- 1.115** “Table of Rates, Tolls and Charges” shall mean the Table of Rates, Tolls and Charges setting forth rates, tolls and charges that have been fixed by Company or the Board to be imposed, observed and followed by Company.
- 1.116** “Tariff” shall mean this Gas Transportation Tariff, including the Table of Rates, Tolls and Charges, the Rate Schedules, the Service Agreements, Schedules of Service, these General Terms and Conditions and the Appendices.
- 1.117** “Tier” shall mean the Tier 1, Tier 2 or Tier 3 CO<sub>2</sub> Rate as set forth in the Table of Rates, Tolls and Charges.
- 1.118** “TJ” shall mean terajoule, or one trillion joules.
- 1.119** “Thousand Cubic Metres” or “10<sup>3</sup>m<sup>3</sup>” shall mean one thousand (1000) Cubic Metres of Gas.
- 1.120** “Winter Season” shall mean the period commencing on November 1 of any year and ending on the next succeeding March 31.

## **2.0 MEASURING EQUIPMENT**

### **2.1 Installation**

Company, at its option, may furnish, install, maintain and operate all measuring equipment located at each Receipt Point, Delivery Point or other point where gas is measured.

### **2.2 Compliance with Standards**

Company may use such measuring equipment as it deems appropriate provided that all measuring equipment shall comply with all applicable requirements under the GIA.

### **2.3 Check Measuring Equipment**

Customer may install and operate check measuring equipment provided that such equipment does not interfere with the operation of the Facilities.

### **2.4 Pulsation Dampening**

Customer shall provide or cause to be provided such pulsation dampening equipment as may be necessary to ensure that any facilities upstream of a Receipt Point do not interfere with the operation of the Facilities.

### **2.5 Verification**

The accuracy of Company's measuring equipment shall be tested and verified by Company at such intervals as may be appropriate for such equipment. Reasonable notice of the time and nature of each test shall be given to Customer to permit Customer to arrange for a representative to observe the test and any adjustments resulting from such test. If, after notice, Customer fails to have a representative present, the results of the test shall nevertheless be considered accurate.

## 2.6 Correction

If at any time any of the measuring equipment is found to be out of service or registering inaccurately with the result that a significant measurement error has occurred, such equipment shall be adjusted as soon as practicable to read as accurately as possible and the readings of such equipment shall be adjusted to correct for such significant error for a period definitely known or agreed upon, or if not known or agreed upon, one-half (1/2) of the elapsed time since the last test. The measurement during the appropriate period shall be determined by Company on the basis of the best data available using the most appropriate of the following methods:

- (a) by using the data recorded by any check measuring equipment if installed and accurately registering;
- (b) by making the appropriate correction if the deviation from the accurate reading is ascertainable by calibration test or mathematical calculation;
- (c) by estimating based on producer measurements; or
- (d) by estimating based on deliveries under similar conditions during a period when the equipment was measuring accurately.

## 2.7 Expense of Additional Tests

If Customer requests a test in addition to the tests provided for by paragraph 2.5 and if upon testing the deviation from the accurate reading is found to be less than two (2) percent, Customer shall bear the expense of the additional test.

## 2.8 Inspection of Equipment and Records

Company and Customer shall have the right to inspect measuring equipment installed or furnished by the other, and the charts and other measurement or test data of the other at all times during normal business hours upon reasonable notice, but the reading,

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calibration and adjustment of such equipment and the changing of the charts shall be done only by the Person installing and furnishing same.

## 2.9 Quality Equipment and Tests

- (a) Company may furnish, install, maintain and operate such equipment as it considers necessary to ensure that gas received by Company conforms to the quality requirements set forth in the Tariff.
- (b) Company may establish and utilize such reasonable methods, procedures and equipment as Company determines are necessary in order to determine whether gas received by Company conforms with the quality requirements set forth in the Tariff.

## 3.0 GAS QUALITY

### 3.1 Quality Requirements

Gas received at a Receipt Point:

- (a) shall be free, at the pressure and temperature in the Facilities at the Receipt Point, from sand, dust, gums, crude oil, contaminants, impurities or other objectionable substances which will render the gas unmerchantable, cause injury, cause damage to or interfere with the operation of the Facilities;
- (b) shall not have a hydrocarbon dew point in excess of minus ten (-10) degrees Celsius at operating pressures;
- (c) shall not contain more than twenty-three (23) milligrams of hydrogen sulphide per one (1) cubic metre;
- (d) shall not contain more than one hundred and fifteen (115) milligrams of total sulphur per one (1) cubic metre;

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- (e) shall not contain more than two (2) percent by volume of carbon dioxide unless a valid Service Agreement and Schedule of Service under Rate Schedule CO<sub>2</sub> is executed by Customer and in effect at such Receipt Point;
  - (f) shall not contain more than:
    - (i) sixty-five (65) milligrams of water vapour per one (1) cubic metre; or
    - (ii) forty-eight (48) milligrams of water vapour per one (1) cubic metre if a valid Service Agreement and Schedule of Service under Rate Schedule CO<sub>2</sub> is executed and in effect at such Receipt Point;
  - (g) shall not have a water dew point in excess of minus ten (-10) degrees Celsius at operating pressures greater than eight thousand two hundred seventy five (8275) kPa;
  - (h) shall not exceed forty-nine (49) degrees Celsius in temperature;
  - (i) shall be as free of oxygen as practicable and shall not in any event contain more than four-tenths of one (0.4) percent by volume of oxygen; and
  - (j) shall have a Gross Heating Value of not less than thirty-six (36) megaJoules per cubic metre.

### 3.2 Nonconforming Gas

- (a) If gas received by Company fails at any time to conform with any of the quality requirements set forth in paragraph 3.1 above, then Company shall notify Customer of such failure and Company may, at Company's option, refuse to accept such gas pending the remedying of such failure to conform to quality requirements. If the failure to conform is not promptly remedied, Company may accept such gas and may take such steps as Company determines are necessary to ensure that such gas conforms with the quality requirements and Customer shall reimburse Company for any reasonable costs and expenses incurred by Company.



- (b) Notwithstanding subparagraph 3.2 (a), if gas received by Company fails to conform to the quality requirements set forth in paragraph 3.1 above, Company may at its option immediately suspend the receipt of gas, provided however that any such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.
- (c) Notwithstanding subparagraphs 3.2 (a) and 3.2 (b), if gas received by Company fails to conform to the quality requirements set forth in subparagraph 3.1(e) above, Company shall notify Customer of such failure. If the failure to conform is not remedied by Customer within thirty (30) days, Company shall refuse to accept such gas pending the remedying of such failure, provided however that any such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

### **3.3 Quality Standard of Gas Delivered at Delivery Points**

Gas which Company delivers at Delivery Points shall have the quality that results from gas having been transported and commingled in the Facilities.

## **4.0 MEASUREMENT**

### **4.1 Method of Measurement**

Company may make such measurements and calculations and use such procedures as it deems appropriate in determining volume, provided that the measurements and calculations made and the procedures used comply with any applicable requirements under the GIA.

### **4.2 Unit of Measurement**

4.2.1 The unit of volume for purposes of measurement hereunder shall be a Thousand Cubic Metres.

4.2.2 The unit of quantity for purposes of measurement hereunder shall be a GJ.

#### **4.3 Atmospheric Pressure**

For the purpose of measurement atmospheric pressure shall be determined by a recognized formula applied to the nearest one hundredth (0.01) kPa absolute and deemed to be constant at the time and location of measurement.

#### **4.4 Flowing Temperature**

The temperature of flowing gas shall be determined by means of a recording thermometer or other equipment appropriate for the determination of temperature.

#### **4.5 Determination of Gas Characteristics**

The gas characteristics including, without limiting the generality of the foregoing, Gross Heating Value, relative density, nitrogen and carbon dioxide content, shall be determined by continuous recording equipment, laboratory equipment or through computer modeling.

#### **4.6 Exchange of Measurement Information**

Company and Customer shall make available to the other, as soon as practicable following written request, all measurement and test charts, measurement data and measurement information pertaining to the Service being provided to Customer.

#### **4.7 Preservation of Measurement Records**

Company and Customer shall preserve all measurement test data, measurement charts and other similar records for a minimum period of six (6) years or such longer period as may be required by record retention rules of any duly constituted regulatory body having jurisdiction.

**4.8 Low Intervention Trade Transaction Level**

- (a) If, pursuant to the GIA and G-14, Company has received from MC, conditional permission for the use of gas metering equipment without verification and sealing, at the Low Intervention Trade Transaction level, then the following shall apply: The Low Intervention Trade Transactions shall be subject to the provisions and conditions listed in G-14, as published on MC's website (or any replacement thereof);
- (b) Customer agrees that the gas metering equipment has been initially calibrated and will be periodically recalibrated (and reprogrammed where necessary) in accordance with a process and procedures acceptable to Customer;
- (c) Any measurement disputes arising between Company and Customer shall be resolved in accordance with the provisions of paragraph 2.6 of these General Terms and Conditions;
- (d) Company and Customer acknowledge and agree that the conditional permission granted by MC may restrict MC's ability to successfully conclude a measurement dispute investigation, if MC involvement has been requested; and
- (e) Company and Customer agree to the implementation of Low Intervention Trade Transactions in accordance with G-14 and either Company or Customer has the right to request a revocation of the conditional permission for Low Intervention Trade Transactions in accordance with G-14.

**5.0 BILLING AND PAYMENT****5.1 Billing**

On or before the twenty-first day of each month, Company shall provide on EBB a bill to Customer for Service rendered during the Billing Month. Customer shall furnish such

information to Company as Company may require for billing on or before the twenty-first day of the Billing Month.

## **5.2 Payment**

Customer shall make payment to Company in Canadian dollars of its bill on or before the last day of the month following the Billing Month.

## **5.3 Late Billing**

If Company provides a bill after the twenty-first day of a month, then the date for payment shall be that day which is ten (10) days after the day that such bill was provided.

## **5.4 Interest on Unpaid Amounts**

Company shall have the right to charge interest on the unpaid portion of any bill commencing from the date payment was due and continuing until the date payment is actually received, at a rate per annum equal to the Prime Rate plus one (1) percent. The principal and accrued interest to date shall be due and payable immediately upon demand.

## **5.5 Adjustment Where Bill Estimated**

Information used for billing may be actual or estimated. If actual information necessary for billing is unavailable to Company sufficiently in advance of the twenty-first day of the month to permit the use of such information in the preparation of a bill, Company shall use estimated information. In the month that actual information becomes available respecting a previous month where estimated information was used, the bill for the month in which the actual information became available shall be adjusted to reflect the difference between the actual and estimated information as if such information related to such later month. Neither Company nor Customer shall be entitled to interest on any adjustment.

**5.6 Corrections**

Notwithstanding any provision contained in this Tariff to the contrary, the correction of an error in a bill for Service provided in a prior month, shall be made to the bill in accordance with the appropriate provision of this Tariff in effect at the time that the error was made. Company shall proceed with such correction in the month following the month that Company confirms the error. In the case of a disputed bill the provisions of paragraph 5.7 shall apply.

**5.7 Disputed Bills**

**5.7.1** In the event Customer disputes any part of a bill, Customer shall nevertheless pay to Company the full amount of the bill when payment is due.

**5.7.2** If Customer fails to pay the full amount of any bill when payment is due, Company may upon four (4) Banking Days written notice immediately suspend any or all Service being or to be provided to Customer provided however that such suspension shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company. If at any time during such suspension Customer pays the full amount payable to Company, Company shall within two (2) Banking Days recommence such suspended Service.

Following suspension, Company may, in addition to any other remedy that may be available to it, upon four (4) Banking Days written notice to Customer immediately:

- (i) terminate any or all Service being or to be provided to Customer; and
- (ii) declare any and all amounts payable now or in the future by Customer to Company for any and all Service to be immediately due and payable as liquidated damages and not as a penalty.

**5.7.3** In the event that it is finally determined that Customer's monthly bill was incorrect and that an overpayment has been made, Company shall make reimbursement of such overpayment. Company shall pay interest on the overpayment to Customer, commencing from the date such overpayment was made and continuing until the date reimbursement is actually made, at a rate per annum equal to the Prime Rate plus one (1) percent.

## **6.0 POSSESSION AND CONTROL**

### **6.1 Control**

Gas received by Company shall be deemed to be in the custody and under the control of Company from the time it is received into the Facilities until it is delivered out of the Facilities.

### **6.2 Warranty**

Customer warrants and represents it has the right to tender all gas delivered to Company.

## **7.0 GAS PRESSURES**

### **7.1 The Gas Pressure At Receipt Points**

The pressure of gas tendered by Customer to Company at any Receipt Point shall be the pressure, up to the Maximum Receipt Pressure, that Company requires such gas to be tendered, from time to time, at that Receipt Point.

### **7.2 Pressure Protection**

Customer shall provide or cause to be provided suitable pressure relief devices, or pressure limiting devices, to protect the Facilities as may be necessary to ensure that the

pressure of gas delivered by Customer to Company at any Receipt Point will not exceed one hundred ten (110%) percent of the Maximum Receipt Pressure.

### **7.3 The Gas Pressure At Delivery Points**

The pressure of gas delivered by Company at any Delivery Point shall be the pressure available from the Facilities at that Delivery Point, provided that such pressure shall not exceed the Maximum Delivery Pressure.

## **8.0 GAS USED, GAS LOST AND MEASUREMENT VARIANCE**

### **8.1 Company's Gas Requirements**

Company may, at its option, either:

- (a) take from all Customers at Receipt Points a quantity of gas equal to the aggregate quantity of any or all Gas Used, Gas Lost and Measurement Variance for any period; or
- (b) arrange with a Customer or Customers or any other Persons at Receipt Points to take and pay for a quantity of gas equal to the aggregate quantity of any or all Gas Used, Gas Lost and Measurement Variance for any period.

### **8.2 Allocation of Gas Taken**

If Company in any period exercises its option to take a quantity of gas as provided for in subparagraph 8.1 (a), each Customer's share of the quantity of such gas taken in such period will be a quantity equal to the product of the quantity of such gas taken in such period and a fraction, the numerator of which shall be the aggregate quantity of gas received by Company from Customer in such period at all of Customer's Receipt Points and the denominator of which shall be the aggregate quantity of gas received by Company from all Customers in such period at all Receipt Points.

**8.3 Gas Received from Storage Facilities**

Notwithstanding anything contained in this article 8.0, any gas received into the Facilities from a gas storage facility that was previously delivered into the gas storage facility through the Facilities shall not be included in any calculation, and shall not be taken into account in any allocation, of Company's gas requirements.

**9.0 DELIVERY OBLIGATION****9.1 Company's Delivery Obligation**

Subject to paragraph 9.2:

- (a) Company's delivery obligation for any period where Company has exercised its option as provided for in subparagraph 8.1 (a), shall be to deliver to all Customers at all Delivery Points the quantity of gas Company determines was received from all Customers in such period at all Receipt Points, less all Customers share as determined under paragraph 8.2; and
- (b) Company's delivery obligation, for any period where Company has exercised its option to purchase gas as provided for in subparagraph 8.1 (b), shall be to deliver to all Customers at all Delivery Points the quantity of all gas received from all Customers, other than gas taken from such Customers and paid for pursuant to subparagraph 8.1 (b), in such period at all Receipt Points.

**9.2 Variance**

Due to variations in operating conditions, the aggregate daily and monthly quantities of gas delivered to all Customers at all Delivery Points, adjusted as provided for in paragraph 9.1, will differ from the aggregate of the corresponding daily and monthly quantities of gas received from all Customers. Customers and Company shall co-operate



to keep such differences to the minimum permitted by operating conditions and to balance out such differences as soon as practicable.

### **9.3 Operating Balance Agreements**

Company may enter into agreements and other operating arrangements with any operator of a downstream pipeline facility interconnecting with the Facilities (“downstream operator”) respecting the balancing of gas quantities to be delivered by Company and to be received by the downstream operator on any Day at the interconnection of the downstream facility and the Facilities (the “interconnection point”). This may include agreements and operating arrangements providing that for any Day a quantity of gas nominated by a Customer for delivery at the interconnection point may be deemed to have been delivered by Company and received by the downstream operator regardless of the actual flow of gas at the interconnection point on the Day.

### **9.4 Energy Content and Gas Quality**

Gas delivered by Company to Customer at any of Customer’s Delivery Points shall have the energy content and quality that results from the gas having been commingled in the Facilities.

### **9.5 Supply/Demand Balancing**

The Terms and Conditions Respecting Customer’s Inventories and Related Matters in Appendix “D” of the Tariff apply to all Service provided under this Tariff. Each Customer receiving Service is responsible for ensuring that Customer’s Inventory is at all times within the Balanced Zone set out in Appendix “D”. If Company determines that Customer’s Inventory for any Customer is not within the Balanced Zone, Company may upon notice suspend all or any portion of Service to Customer until Customer brings Customer’s Inventory within the Balanced Zone, provided however that no such suspension shall relieve Customer of its obligation to pay any rate, toll, charge or other amount payable to Company.

**9.6 Balancing Procedures**

Company may from time to time establish procedures, consistent with the Terms and Conditions Respecting Customer's Inventories and Related Matters set forth in Appendix "D" of the Tariff.

**9.7 Limitation on Delivery Obligation**

Company shall be obligated to provide only such Service as can be provided through Company's operation of the existing Facilities pursuant to the terms and conditions of the Tariff.

**9.8 Uniform Flow Rate**

All deliveries of gas to Company at a Receipt Point shall be made in uniform hourly quantities to the extent practicable.

**9.9 Emergency Response Compensation Event**

If there is an ERC Event, Company shall determine Customer's Final ERC Adjustments in accordance with the Terms and Conditions Respecting Emergency Response Compensation set forth in Appendix "G" of the Tariff.

**10.0 FINANCIAL ASSURANCES****10.1 Financial Assurance for Performance of Obligations**

Company may request that Customer (or any assignee) at any time and from time to time provide Company with an irrevocable letter of credit or other assurance acceptable to Company, in form and substance satisfactory to Company and in an amount determined in accordance with paragraph 10.3 (the "Financial Assurance").

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**10.2 Failure to Provide Financial Assurance**

Company may withhold the provision of new Service until Company has received a requested Financial Assurance.

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

If Customer fails to provide such Financial Assurance during such suspension, Company may, in addition to any other remedy that may be available to it, upon four (4) Banking Days written notice to Customer immediately:

- (i) terminate any or all Service being or to be provided to Customer; and
- (ii) declare any and all amounts payable now or in the future by Customer to Company for any and all Service to be immediately due and payable as liquidated damages and not as a penalty.

**10.3 Amount of Financial Assurance**

The maximum amount of Financial Assurance Company may request from a Customer (or assignee) shall be as determined by Company an amount equal to:

- (i) for the provision of all Services, other than for Service referred to in paragraph (ii), the aggregate of all rates, tolls, charges or other amounts payable to Company for a period of seventy (70) Days. Provided however, the amount of Financial Assurance for all rates, tolls and charges other than demand charges shall be based on the daily average of the actual charges billed for Service for the

preceding twelve (12) Month period with the initial forecast to be provided by Customer; and

- (ii) for the provision of Service under subparagraph 5.1(ii) of Rate Schedule FT-D, the aggregate of all rates, tolls, charges or other amounts payable to Company for a period of seventy (70) Days plus one (1) Month for each remaining year of the term of such Service, up to a maximum of twelve (12) Months total.

The Financial Assurances for any new Facilities required to be installed or constructed by Company shall be determined in accordance with an agreement between Company and Customer for such Facilities.

## **11.0 INTERRUPTIONS AND CURTAILMENTS**

### **11.1 Planned Interruptions**

Provided that Company shall have given Customer at least forty-eight (48) hours notice, Company may interrupt, curtail or reduce Service for such periods of time as it may reasonably require for the purpose of effecting any repairs, maintenance, replacement or upgrading or other work related to the Facilities.

### **11.2 Unplanned Interruptions**

Notwithstanding paragraph 11.1, in the event of unforeseen circumstances Company may interrupt, curtail or reduce Service for such periods of time as it may reasonably require without giving Customer the notice provided for in paragraph 11.1 provided that Company shall give notice of such interruption, curtailment or reduction as soon as is reasonably possible.

### 11.3 Notice of Change in Operations

Customer and Company shall give each other as much notice as is reasonably possible in the circumstances of expected temporary changes in the rates of delivery or receipt of gas, pressures or other operating conditions, together with the expected duration and the reason for such expected temporary changes.

### 11.4 Priority During Interruptions

#### 11.4.1 At Receipt Points

During periods of interruption and curtailment Company may reduce any or all Service at Receipt Points in the following order:

- (i) Firstly, Service under Rate Schedules IT-R and IT-S based on the priority provisions of the applicable Service Agreement until such Service has been reduced to zero (0); and
- (ii) Secondly, Service under Rate Schedules FT-R, FT-RN, FT-X, FT-P, LRS, LRS-2 and LRS-3 on a prorata basis (the “Prorated Service”). Within the interrupted and curtailed area as determined by Company, Customer may, subject to Company’s consent, nominate Customer’s Prorated Service at any Receipt Point or combination of Receipt Points within such area during the period of interruption and curtailment, provided that the total volume nominated at each Receipt Point does not exceed:
  - (a) the sum of Customer’s Receipt Contract Demand for each Schedule of Service at such Receipt Point for Service under Rate Schedules FT-R, FT-RN, FT-X, LRS, LRS-2 and LRS-3; or
  - (b) the Customer’s Receipt Contract Demand for each Receipt Point for Service under Rate Schedule FT-P.

#### 11.4.2 At Delivery Points

During periods of interruption and curtailment Company may reduce any or all Service at Delivery Points in the following order:

- (i) Firstly, Service under Rate Schedules IT-D and IT-S based on the priority provisions of the applicable Service Agreement until such Service has been reduced to zero (0); and
- (ii) Secondly, Service under Rate Schedules FT-D, FT-DW, FT-P, LRS-2, STFT, FT-A and FT-X on a prorata basis (the “Prorated Service”). Within the interrupted and curtailed area as determined by Company, Customer may, subject to Company’s consent, nominate Customer’s Prorated Service at any Delivery Point or combination of Delivery Points within such area during the period of interruption and curtailment, provided that the total volume nominated at each Delivery Point does not exceed the sum of Customer’s Export Delivery Contract Demand for each Schedule of Service at such Delivery Point for Service under Rate Schedules FT-D, FT-DW, LRS-2, STFT and FT-X.

#### 11.5 Customer’s Obligations

Notwithstanding any other provision in the Tariff, Customer agrees and acknowledges that any interruption and curtailment shall not under any circumstances suspend or relieve Customer from the obligation to pay any rate, toll, charge or other amount payable to Company.

**12.0 FORCE MAJEURE****12.1 Notice of Force Majeure**

In the event that either Company or Customer is rendered unable by reason of force majeure to perform in whole or in part any covenant or obligation in the Tariff, the performance of such covenant or obligation shall be suspended during the continuance of such force majeure, except as provided for in paragraph 12.3, upon the following terms and conditions:

- (a) the party claiming suspension shall give written notice to the other party specifying full particulars of such force majeure as soon as is reasonably possible;
- (b) the party claiming suspension shall as far as possible remedy such force majeure as soon as is reasonably possible; and
- (c) the party claiming suspension shall give written notice to the other party as soon as is reasonably possible after such force majeure has been remedied.

**12.2 Events of Force Majeure**

For the purposes of these General Terms and Conditions, the term “force majeure” shall mean any cause not reasonably within the control of the party claiming suspension which by the exercise of due diligence such party is unable to prevent or overcome, including but without limiting the generality of the foregoing:

- (a) lightning, storms, earthquakes, landslides, floods, washouts, and other acts of God;
- (b) fires, explosions, ruptures, breakages of or accidents to the Facilities;
- (c) freezing of pipelines or wells, hydrate obstructions of pipelines or appurtenances thereto, temporary failure of gas supply;

- (d) shortages of necessary labour, strikes, lockouts or other industrial disturbances;
- (e) civil disturbances, sabotage, acts of public enemies, war, blockades, insurrections, vandalism, riots, epidemics;
- (f) arrests and restraints of governments and people;
- (g) the order of any court, government body or regulatory body;
- (h) inability to obtain or curtailment of supplies of electric power, water, fuel or other utilities or services;
- (i) inability to obtain or curtailment of supplies of any other materials or equipment;
- (j) inability to obtain or revocation or amendment of any permit, licence, certificate or authorization of any governmental or regulatory body, unless the revocation or amendment of such permit, licence, certificate or authorization was caused by the violation of the terms thereof or consented to by the party holding the same;
- (k) the failure for any reason of a supplier of gas to Customer or a purchaser of gas from Customer to supply and deliver gas to Customer or to purchase and take delivery of gas from Customer;
- (l) any claim by any third party that any covenant or obligation of such third party is suspended by reason of force majeure, including without limiting the generality of the foregoing any such claim by any transporter of gas to, from or for Company or Customer; and
- (m) any other cause, whether herein enumerated or otherwise, not reasonably within the control of the party claiming suspension which by the exercise of due diligence such party is unable to prevent or overcome.



**12.3 Customer's Obligations**

Notwithstanding any other provision herein, Customer acknowledges and agrees that the occurrence of an event of force majeure shall not under any circumstances suspend or relieve Customer from the obligation to pay any rate, toll, charge or other amount payable to Company.

**12.4 Lack of Funds not Force Majeure**

Notwithstanding any other provision herein, Company and Customer agree that a lack of funds or other financial cause shall not under any circumstances be an event of force majeure.

**12.5 Strikes and Lockouts**

Notwithstanding any other provision herein, Company and Customer agree that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the party involved.

**12.6 Service During Force Majeure**

In the event that the provision of Service is curtailed or interrupted by reason of force majeure, Company may during the continuance of such force majeure provide such Service as it deems appropriate.

**13.0 INDEMNIFICATION****13.1 Customer's Liability**

Customer shall be liable for and shall indemnify and save harmless Company from and against any and all claims, demands, suits, actions, damages, costs, losses and expenses of whatsoever nature arising out of or in any way connected, either directly or indirectly, with any act, omission or default arising out of the negligence of Customer.

**13.2 Company's Liability**

Company shall be liable for and shall indemnify and save harmless Customer from and against any and all claims, demands, suits, actions, damages, costs, losses and expenses of whatsoever nature arising out of or in any way connected, either directly or indirectly, with any act, omission or default arising out of the negligence of Company.

**13.3 Limitations**

Notwithstanding the provisions of paragraphs 13.1 and 13.2:

- (a) Company and Customer shall have no liability for, nor obligation to indemnify and save harmless the other from, any claim, demand, suit, action, damage, cost, loss or expense which was not reasonably foreseeable at the time of the act, omission or default;
- (b) Company shall have no liability to Customer, nor obligation to indemnify and save harmless Customer, in respect of Company's failure for any reason whatsoever, other than Company's wilful default, to provide Service pursuant to the provisions of Customer's Service Agreement;
- (c) the failure by Company for any reason whatsoever to receive gas from Customer or deliver gas to Customer shall not suspend or relieve Customer from the obligation to pay any rate, toll, charge or other amount payable to Company; and
- (d) Company shall have no liability to Customer, nor obligation to indemnify and save harmless Customer, in respect of Company providing Service to any Customer under Rate Schedule CO<sub>2</sub> and/or Rate Schedule PT.

**14.0 EXCHANGE OF INFORMATION****14.1 Provision of Information**

Company and Customer shall make available, on request by either made to the other, certificates, estimates and information as shall be in their possession, and as shall be reasonably required by the other.

**14.2 Additional Information**

Notwithstanding paragraph 14.1, Customer shall furnish Company with such estimated daily, monthly and annual quantities as Company may require, with respect to any Service provided or to be provided, together with any data that Company may require in order to design, operate and construct facilities to meet Customer's requirements.

**15.0 MISCELLANEOUS PROVISIONS****15.1 Effect of Headings**

The headings used throughout the Tariff are inserted for reference only and are not to be considered or taken into account in construing any terms or provision nor be deemed in any way to qualify, modify or explain any term or provision.

**15.2 Words in Singular or Plural**

In the interpretation of the Tariff words in the singular shall be read and construed in the plural and words in the plural shall be read and construed in the singular where the context so requires.

**15.3 Preservation of Rights and Authority Under Act**

Notwithstanding any of the provisions of the Tariff, Company and Customer reserve all their respective rights and authorities under the Act.

**15.4 Governing Law**

The Tariff shall be governed by and construed in accordance with the laws of the Province of Alberta and the applicable laws of Canada, and Company and Customers irrevocably submit to the jurisdiction of the courts of the Province of Alberta for the interpretation and enforcement of the Tariff.

**15.5 Assignment**

Customer shall not assign any Service Agreement, Schedule of Service or any Service without the prior written consent of Company.

**15.6 No Interest in Facilities**

Customer does not acquire any right to, title to or interest in the Facilities or any part thereof nor does Company dedicate any portion of the Facilities to Service for any Customer.

**15.7 Forbearance**

Forbearance to enforce any provision of the Tariff shall not be construed as a continuing forbearance to enforce any such provision.

**15.8 Inconsistency**

In the event that there is any inconsistency between any provision of these General Terms and Conditions, any provision of any Rate Schedule or any provision of any Service Agreement, the provision of the Service Agreement shall prevail over the Rate Schedule which in turn shall prevail over the General Terms and Conditions.

**15.9 Amendment of Service Agreement**

No amendment or variation of any term, condition or provision of any Schedule of Service or Service Agreement shall be of any force or effect unless in writing and signed by Company.

**15.10 Priority for New or Additional Service**

Company may from time to time establish procedures respecting priority of entitlement for Customers seeking new or additional Service.

**15.11 Establishment of Procedures and Pilot Projects**

Company may from time to time establish procedures, including procedures for carrying out and evaluating any pilot projects Company determines to be necessary or desirable, respecting or relating to or affecting any Service or any term, condition or provision contained within the Tariff.

**15.12 Conversion of Service Agreements to Energy Units**

- (a) Effective November 1, 2006, for any Service Agreements under Rate Schedules FT-D, FT-DW and STFT, the Export Delivery Contract Demand set out in each new Schedule of Service shall be expressed in energy units (GJ).
- (b) Effective November 1, 2006, for any Service Agreements under Rate Schedules FT-D, FT-DW and STFT, the Export Delivery Contract Demand set out in each existing Schedule of Service shall be converted to GJ using the following Export Delivery Point energy conversion rates:

Alberta-British Columbia Border	37.98 MJ per m <sup>3</sup>
Alberta-Montana Border	37.71 MJ per m <sup>3</sup>
Boundary Lake Border	39.55 MJ per m <sup>3</sup>
Cold Lake Border	37.52 MJ per m <sup>3</sup>

Demmitt #2 Interconnect	39.57 MJ per m <sup>3</sup>
Empress Border	37.52 MJ per m <sup>3</sup>
Gordondale Border	40.05 MJ per m <sup>3</sup>
McNeill Border	37.57 MJ per m <sup>3</sup>
Unity Border	37.78 MJ per m <sup>3</sup>