

**TRANSCANADA - ALBERTA SYSTEM  
Tolls, Tariff & Procedures Committee**

**RESOLUTION**

**Point to Point Service Extension**

**Resolution T2002-02**

The Tolls, Tariff & Procedures Committee (“TTP”) agrees to extend the end date of Point to Point (“P2P”) Service from December 31, 2002 to the earlier of December 31, 2003 or EUB approval of a subsequent Alberta System short haul service. The extension will apply only to parties with existing P2P contracts as of December 31, 2002 and will not allow new P2P contracts to be signed past December 31, 2002. To facilitate the P2P Service extension, the TTP also agrees to the attached NGTL Tariff amendments.

**Background**

As part of the 2001 & 2002 Alberta System Rate Settlement a new P2P Service was developed by industry and approved by the Alberta Energy and Utilities Board (“EUB”) for a two-year period ending December 31, 2002. The intent was to evaluate the Service for the initial period and land whether or not it should be continued on a go-forward basis as is, modified, or ended. Although industry discussions of an Alberta short haul service are scheduled, there is a possibility that industry agreement may not be reached, cannot be reached in a timely manner, or the EUB may not approve a service filing by December 31, 2002. The P2P extension is intended to ensure that parties contracting the service as of December 31, 2002 have continued access to the Service until the earlier of December 31, 2003 or EUB approval of a subsequent Alberta System short haul service.

There are currently two P2P contracts for a total contracted volume of 102 mmcf/d (2873 e<sup>3</sup>m<sup>3</sup>/d).

**Next Steps**

TransCanada will file the Tariff change with the EUB for approval. If and when EUB approval of the Tariff changes are received, TransCanada will notify Customers and post the amended Tariff.

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**RATE SCHEDULE FT-P**  
**FIRM TRANSPORTATION – ALBERTA POINT TO POINT**

**1.0 DEFINITIONS**

The capitalized terms used in this Rate Schedule have the meanings attributed to them in the General Terms and Conditions of the Tariff unless otherwise defined in this Rate Schedule.

**2.0 SERVICE DESCRIPTION AND AVAILABILITY**

**2.1** Subject to the stated terms and conditions, service under Rate Schedule FT-P shall mean:

- (i) the receipt of gas from Customer at Customer's Receipt Point other than a Storage Receipt Point and an Extraction Receipt Point;
- (ii) the transportation of gas through the Facilities; and
- (iii) the delivery of gas to Customer at Customer's Alberta Delivery Point other than a Storage Delivery Point, an Extraction Delivery Point, and the Mildred Lake meter station unless Company provides service to the Mildred Lake meter station.

Subparagraphs (i), (ii) and (iii) are collectively referred to as the "Service". Company shall establish an FT-P Customer Account for each of Customer's Schedules of Service under Rate Schedule FT-P.

**2.2** ~~The New~~ Service is available until December 31, 2002 to any Customer that has executed a Service Agreement and Schedule of Service under Rate Schedule FT-P and a valid Service Agreement under Rate Schedule FCS is executed by any Customer at such

**4.0 CHARGE FOR SERVICE****4.1 Customer's Monthly Demand Charge**

Customer's monthly demand charges for a Billing Month for Service under Rate Schedule FT-P shall be equal to the sum of the monthly demand charges for each of Customer's Schedules of Service under Rate Schedule FT-P, determined as follows:

$$\text{MDC} = \sum \left[ F \times \left( A \times \frac{B}{C} \right) \right]$$

Where:

"MDC" = the aggregate of the ~~monthly~~ demand charges applicable to such Schedule of Service for such Billing Month;

"F" = the FT-P Demand Rate applicable to such Schedule of Service;

"A" = the ~~each~~ Point to Point Contract Demand in effect for all or a portion of such Billing Month for such Schedule of Service;

"B" = the number of days in such Billing Month that Customer was entitled to Service ~~such Point to Point Contract Demand~~ under such Schedule of Service; and

"C" = the number of days in such Billing Month;

**4.2 Customer's Surcharges**

to Customer at an Alberta Delivery Point shall be allocated to Service to Customer under Rate Schedule FT-P.

## 5.0 TERM OF SERVICE

### 5.1 Term of a Schedule of Service

#### 5.1.1 No Facilities Required

If, in the provision of new Service, Company determines that no new Facilities are required to be installed or constructed at any Receipt Point to provide the Service requested, the term of the Schedule of Service shall be a minimum term of one (1) year.

#### 5.1.2 Facilities Required

If, in the provision of new Service, Company determines that new Facilities are required to be installed or constructed at any Receipt Point to provide the Service requested, the term of the Schedule of Service shall be equal to the Primary Term, determined under the criteria for determining primary term in Appendix “E” of the Tariff.

5.1.3 If the number of years calculated for the Primary Term exceeds fifteen (15) years the Primary Term shall be fixed at fifteen (15) years and a Surcharge, determined under the Criteria for Determining Primary Term in Appendix “E” of the Tariff, shall be applied in respect of such Service.

### 5.2 Replacement of Service

(a) If the Service Termination Date is after December 31, ~~2002~~2003 and a successor service to Service under Rate Schedule FT-P has been approved by the Board then

the term of the successor service will be determined in accordance with the terms and conditions of the successor service.

- (b) If the Primary Term has a Service Termination Date after December 31, ~~2002~~2003, and a successor service has not been approved by the Board, Service under Rate Schedule FT-P shall be replaced by Company with service under Rate Schedule FT-R and Rate Schedule FT-A effective January 1, ~~2003~~2004. The term for service under Rate Schedule FT-R shall include the remainder of the Primary Term that was in effect for Service under Rate Schedule FT-P recalculated based on Appendix “E” for service under Rate Schedule FT-R for the applicable Receipt Point plus a three (3) year Secondary Term.
- (c) If the Service Termination Date is after December 31, ~~2002~~2003 and a successor service has not been approved by the Board and the Customer had originally contracted Service under Rate Schedule FT-P instead of renewing Service under Rate Schedule FT-R Company shall replace the Service under Rate Schedule FT-P with Service under Rate Schedule FT-R and Rate Schedule FT-A effective January 1, ~~2003~~2004. The term for service under Rate Schedule FT-R shall include the remainder of the term that was in effect for Service under Rate Schedule FT-P
- (d) In all other circumstances other than the ones set out in Sections 5.2 (a), (b), and (c), Company shall replace the Service under Rate Schedule FT-P with Service under Rate Schedule FT-R and Rate Schedule FT-A effective January 1, ~~2003~~2004. The term for service under Rate Schedule FT-R shall include the remainder of the term that was in effect for Service under Rate Schedule FT-P plus an additional three (3) year Secondary Term.

### 5.3 Term of Service Agreement

## 10.0 RENEWAL OF SERVICE

### 10.1 Renewal Notification

Customer shall be entitled to renew all or any portion of Service under a Schedule of Service under Rate Schedule FT-P provided such renewal does not extend the Service Termination Date after December 31, ~~2002~~2003 and Customer gives notice to Company of such renewal at least ~~six~~three (~~63~~) months prior to the Service Termination Date. If Customer does not provide such notice, the Service shall expire on the Service Termination Date.

### 10.2 Irrevocable Notice

Customer notice to renew all or any portion of Service under a Schedule of Service under Rate Schedule FT-P shall be irrevocable ~~six~~three (~~63~~) months prior to the Service Termination Date.

Any renewal of Service is subject to Financial Information and Security provisions in Article 10 of the General Terms and Conditions.

### 10.3 Renewal Term

Customer's notice shall specify a renewal term of not less than one (1) year consisting of increments of whole months. Service that is renewed for a term that extends beyond December 31, ~~2002~~2003, shall be converted to Service under Rate Schedule FT-R and Rate Schedule FT-A pursuant to paragraph 5.2 of Rate Schedule FT-P.

**SERVICE AGREEMENT  
RATE SCHEDULE FT-P**

BETWEEN:

NOVA Gas Transmission Ltd., a body corporate having an office ~~in the~~  
~~City of~~ Calgary, ~~in the Province of~~ Alberta (“Company”)

- and -

•, a body corporate having an office ~~in the City of~~ •, ~~in the Province of~~  
~~Alberta~~ (“Customer”)

IN CONSIDERATION of the premises and the covenants and agreements in this Service Agreement, the parties covenant and agree as follows:

1. Customer acknowledges receipt of a current copy of the Tariff.
2. The capitalized terms used in this Service Agreement have the meanings attributed to them in the General Terms and Conditions of the Tariff, unless otherwise defined in this Service Agreement.
3. Customer requests and Company agrees to provide Service pursuant to Rate Schedule FT-P in accordance with the attached Schedules of Service. The Service will commence on the Billing Commencement Date and will terminate, subject to the provisions of this Service Agreement, on the Service Termination Date.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described each year in Company's Annual Plan, and that interruption and curtailment of Service may occur if the assumptions and forecasts are inaccurate or are rendered inaccurate.
  
7. Every notice, request, demand, statement, bid or bill (for the purpose of this paragraph, collectively referred to as "Notice") provided for in Rate Schedule FT-P, this Service Agreement and the General Terms and Conditions, or any other Notice which either Company or Customer may desire to give to the other, shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

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- 
- Attention: •
- ~~or~~
- ~~Attention: •~~
- Fax: •

Company:

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- 
- 
  
- Attention: Customer Account Representative
- Fax: •



SCHEDULE OF SERVICE  
RATE SCHEDULE FT-P

CUSTOMER: •

<u>Schedule of Service Number</u>	<u>Receipt Point / Alberta Delivery Point Number and Name</u>	<u>Legal Description</u>	<u>Maximum Receipt / Delivery Pressure kPa</u>	<u>Service Termination Date</u>	<u>Point to Point Contract Demand 10<sup>3</sup> m<sup>3</sup>/d</u>	<u>Point to Point Distance km</u>	<u>Additional Conditions</u>
•	•• ••	•	•	•	•	•	•

THIS SCHEDULE FORMS PART OF THE SERVICE AGREEMENT DATED • AND SHALL BE DEEMED TO BE ATTACHED THERETO.

• NOVA Gas Transmission Ltd.  
Per: \_\_\_\_\_ Per : \_\_\_\_\_  
Per: \_\_\_\_\_ Per : \_\_\_\_\_