

DAWN LONG TERM FIXED PRICE TRANSPORTATION SERVICE

DAWN LTFP TOLL SCHEDULE

INDEX

Section	Sheet No.
1. DEFINITIONS	1
2. AVAILABILITY	2
3. APPLICABILITY AND CHARACTER OF SERVICE.....	2
4. MONTHLY BILL	2
5. MINIMUM BILL	3
6. DEMAND CHARGE ADJUSTMENTS.....	3
7. SECONDARY DELIVERY POINTS	4
8. ASSIGNMENT	5
9. TERM REDUCTION RIGHTS	5
10. CONVERSION RIGHTS	6
11. MISCELLANEOUS PROVISIONS.....	7

1. DEFINITIONS

- 1.1 Capitalized terms utilized herein, but not otherwise defined, shall have the meanings attributed to such terms in the General Terms and Conditions. For the purpose of this Toll Schedule, the following terms shall be defined:
- (a) "Conversion Option" shall have the meaning attributed to it in Section 10.1;
 - (b) "Conversion Provisions" shall have the meaning attributed to it in Subsection 10.1(c);
 - (c) "Dawn LTFP Contract" shall have the meaning attributed to it in Subsection 2.1(a);
 - (d) "Dawn LTFP End Date" shall mean the date Customer's Dawn LTFP Contract ends, as set out in Section 3.1 of Customer's Dawn LTFP Contract or as may be amended for all or a portion of the Contract Demand pursuant to Section 3.2 of Customer's Dawn LTFP Contract, as applicable;
 - (e) "Dawn LTFP Service" shall mean transportation service provided pursuant to this Toll Schedule;
 - (f) "Default" shall have the meaning attributed to it in Section 3.1;
 - (g) "Default Quantity" shall have the meaning attributed to it in Section 3.1;
 - (h) "Early Conversion and Term-up Notice" shall have the meaning attributed to it in Section 10.3;
 - (i) "Expansion Facilities" shall have the meaning attributed to it in Section 10.3;
 - (j) "FT Contract" shall mean a Firm Transportation Service Contract;
 - (k) "FT Service" shall mean firm transportation service provided pursuant to the FT Toll Schedule;
 - (l) "General Terms and Conditions" means the General Terms and Conditions of the Tariff;
 - (m) "List of Tolls" means the List of Tolls of the Tariff; and
 - (n) "Secondary Delivery" shall have the meaning attributed to it in Section 1 of the General Terms and Conditions.

2. AVAILABILITY

- 2.1 Any Customer shall be eligible to receive service pursuant to this Toll Schedule provided that Customer:
- (a) has entered into a Dawn Long Term Fixed Price Transportation Service Contract ("Dawn LTFP Contract") with TCPL through a Dawn LTFP open season process, held by TCPL in its sole discretion; and
 - (b) has provided TCPL with financial assurances as required by TCPL pursuant to Section XXIII of the General Terms and Conditions.

3. APPLICABILITY AND CHARACTER OF SERVICE

- 3.1 On each day during the term of the Dawn LTFP Contract, Customer shall be entitled to request service hereunder. Nominations for service shall be made pursuant to Section XXII of the General Terms and Conditions. Service hereunder shall not be subject to curtailment or interruption except as provided in Section XI, XIV, and XV of the General Terms and Conditions; PROVIDED HOWEVER, that if Customer fails to provide on an ongoing and timely basis to TCPL satisfactory evidence of its right to remove from the province of production all or any part of the quantities of gas to be transported by TCPL under the Dawn LTFP Contract, Customer shall be in default hereunder (the "Default") to the extent of the daily quantity not authorized for removal from the province of production as aforesaid (the "Default Quantity"), and TCPL shall be entitled to immediately suspend service for a quantity up to, and including, the Default Quantity until such time as Customer remedies the Default. TCPL shall terminate any such suspension and resume service as to that part of the Default Quantity in respect of which the Default has been remedied.
- 3.2 Dawn LTFP Service is only available for long haul transportation service with a receipt point at Empress and a delivery point at the Union SWDA.

4. MONTHLY BILL

- 4.1 The monthly bill payable to TCPL for service hereunder shall include the aggregate of the demand charge in effect during the billing month for transportation service and any applicable surcharge, and shall be calculated by applying, as follows, the applicable tolls as approved by the CER (as set forth in the List of Tolls):

(a) **Demand Charge**

For each month, the demand charge for transportation service shall be equal to the sum of the products of the applicable Monthly Demand Toll multiplied by Customer's Contract Demand subject to each applicable Monthly Demand Toll pursuant to Sections 6.2 and 6.3 of Customer's Dawn LTFP Contract. The Monthly Demand Toll for Dawn LTFP Service is inclusive of any applicable Delivery Pressure Monthly Demand Toll and the Monthly Abandonment Surcharge which shall be equal to the Monthly Abandonment Surcharge from Empress to Emerson 2. The said demand charge is payable by Customer notwithstanding any failure by Customer during such month, for any reason whatsoever including force majeure or a default by Customer under Section 3.1 hereof, to deliver Customer's Authorized Quantity to TCPL at the receipt point.

(b) **Fuel**

For each month, a Customer shall provide, on a daily basis, a quantity of fuel in accordance with Subsection IV (1)(a) of the General Terms and Conditions.

(c) **Surcharges**

For each month, Customer shall pay any surcharge authorized by the CER to account for the costs of complying with domestic or foreign laws, rules or regulations that were not in effect or applicable to TCPL on October 13, 2016.

5. MINIMUM BILL

5.1 The minimum monthly bill for service hereunder shall be the sum of the charges determined in Subsections 4.1 (a) and 4.1 (c), after giving effect to any adjustment pursuant to Section 6 hereof.

6. DEMAND CHARGE ADJUSTMENTS

6.1 If during any day, TCPL fails to deliver the quantity of gas requested by Customer up to the Contract Demand, for any reason related solely to TCPL's operations, including an event of force majeure occurring on any of the pipeline systems of TCPL and Other Pipelines, then the monthly demand charge shall be reduced by an amount equal to the applicable Daily

Demand Toll multiplied by the difference between the quantity of gas which TCPL actually delivered to Customer on such day, and the quantity of gas which such Customer in good faith nominated hereunder on such day. Both of these quantities shall be deemed to have occurred in the same proportion as that of the portion of the Contract Demand at each applicable Daily Demand Toll. If TCPL refuses to accept deliveries of Customer's gas or curtails receipts from or deliveries to Customer pursuant to Paragraph 8 (Energy Imbalance Recovery) of Section XXII of the General Terms and Conditions, then there shall be no corresponding reduction in the monthly demand charge to Customer. Notwithstanding the foregoing, if the quantity of gas which TCPL fails to deliver is the subject of an accepted nomination for a Secondary Delivery, then TCPL shall only be obligated to reduce the monthly demand charge if such Secondary Delivery is of the nature described in Subsection (e)(ii) in Section XV of the General Terms and Conditions and in all other cases there shall be no reduction in the monthly demand charge.

7. SECONDARY DELIVERY POINTS

- 7.1 (a) TCPL will post on its website the eligible Secondary Delivery point(s).
- (b) Subject to the provisions herein, Customer shall have the right to nominate to Secondary Delivery points posted pursuant to Subsection 7.1(a).
- (c) The aggregate of all nominations for delivery hereunder shall not exceed the Contract Demand under Customer's Dawn LTFP Contract.
- (d) For the purpose of Section XVI of the General Terms and Conditions, service to Secondary Delivery points shall be equivalent to service under an STS Contract.
- 7.2 Any nomination by Customer to a Secondary Delivery point under Customer's Dawn LTFP Contract must be received by TCPL's Gas Control Department by the times posted on TCPL's website.
- 7.3 TCPL shall have the right to not accept a nomination made pursuant to Section 7.2 hereof or to accept only a portion of the quantities so nominated if the Secondary Delivery nominated would negatively impact TCPL's ability to provide those transportation services which, pursuant to Section XV of the General Terms and Conditions, have a priority of service which is higher than that of the Secondary Delivery nominated by Customer or if such Secondary

Delivery would otherwise be immediately curtailed pursuant to Paragraph (c) of Section XV of the General Terms and Conditions. TCPL shall have the right to curtail Secondary Delivery in accordance with Section XV of the General Terms and Conditions.

8. ASSIGNMENT

- 8.1 Any company which shall succeed by purchase, merger or consolidation to the properties, substantially or in entirety, of Customer or of TCPL, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under any Dawn LTFP Contract into which this Toll Schedule is incorporated and any related contracts. Further, either Customer or TCPL may, without relieving itself of its obligations under any Dawn LTFP Contract into which this Toll Schedule is incorporated (unless consented to by the other party which consent shall not be unreasonably withheld), assign any of its rights and obligations thereunder to another party. Nothing herein shall in any way prevent either party to such Dawn LTFP Contract from pledging or mortgaging its rights thereunder as security for its indebtedness. Such Dawn LTFP Contract shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties thereto.
- 8.2 Assignments at a discount negotiated between assignors and assignees are permitted, provided that the approved toll continues to be paid to TCPL.
- 8.3 Save as herein provided, assignment of a Dawn LTFP Contract into which this Toll Schedule is incorporated is expressly prohibited.

9. TERM REDUCTION RIGHTS

- 9.1 Customer may, for all or a portion of the Contract Demand, elect to reduce the 120 month term of the Dawn LTFP Contract by sixty (60), forty-eight (48), thirty-six (36), twenty-four (24) or twelve (12) months. Customer's election must be provided to TCPL by way of an executed Exhibit "A" Addendum to Customer's Dawn LTFP Contract setting out the amended Dawn LTFP End Date for the portion of the Contract Demand subject to a reduction in term. Customer's election must be provided to TCPL a minimum of twenty-four (24) months prior to such amended Dawn LTFP End Date. Upon receipt of Customer's election, TCPL shall provide Customer with a counter-executed Exhibit "A" Addendum to the Dawn LTFP Contract.

10. CONVERSION RIGHTS

10.1 Subject to Sections 10.3 and 10.4, Customer shall have the option of converting its Contract Demand under Dawn LTFP Service to an FT Contract (the "Conversion Option") provided that:

- (a) the conversion shall be effective the first day after the applicable Dawn LTFP End Date for a period of either: i) one or more annual periods ending on the same calendar date as the applicable Dawn LTFP End Date or ii) if Customer requests a service termination date of October 31, one or more annual periods of twelve (12) consecutive full months plus the number of consecutive days necessary to the requested October 31;
- (b) the requested FT Service Contract Demand shall be at a level no greater than the portion of Contract Demand eligible for conversion at the applicable Dawn LTFP End Date;
- (c) TCPL receives written notice from Customer of Customer's election to exercise the Conversion Option which sets out the term and Contract Demand of such conversion (the "Conversion Provisions") no less than twenty-four (24) consecutive months before the applicable Dawn LTFP End Date;
- (d) Customer supplies TCPL at the time of such notice with evidence satisfactory to TCPL that Customer will meet the availability provisions of the FT Toll Schedule in respect of the Conversion Provisions prior to the commencement of FT Service; and
- (e) TCPL may accept late notice of Customer's election to exercise the Conversion Option if TCPL, in its sole discretion, determines that TCPL will have the required capacity available after providing capacity for all of TCPL's obligations pursuant to prior outstanding requests from Customer and/or others, that such conversion will not adversely impact TCPL's system operations and that all of the costs for providing this service will be covered by TCPL's tolls.

10.2 All conversions shall be stated in GJ.

10.3 If at any time TCPL determines, acting reasonably, that:

- (a) new or additional pipeline facilities are required to increase the Combined Capacity or capabilities of the system (“Expansion Facilities”); and
- (b) the estimated cost of such Expansion Facilities will exceed \$20 million;

TCPL will provide an early conversion and term-up notice (“Early Conversion and Term-up Notice”) to Customer entitled to the Conversion Option if TCPL determines Customer’s Dawn LTFP Contract may impact the design of the Expansion Facilities.

- 10.4 Upon receipt of the Early Conversion and Term-up Notice, Customer may elect, within sixty (60) days of receipt of the Early Conversion and Term-up Notice, to exercise its Conversion Option for all or a portion of the applicable Contract Demand, subject to the FT Contract having a termination date no earlier than five (5) years after the expected New Service Start Date (as defined in Section 1.1 of TAPs) of the Expansion Facilities. If Customer does not elect to exercise its Conversion Option for the required term set out in the Early Conversion and Term-up Notice within such sixty (60) day period, then Customer shall no longer be entitled to a Conversion Option for the applicable Contract Demand.

11. MISCELLANEOUS PROVISIONS

- 11.1 The General Terms and Conditions and the List of Tolls, as amended from time to time, are applicable to this Toll Schedule and are hereby made a part hereof. If there is any conflict between the provisions of this Toll Schedule and the General Terms and Conditions, the provisions of this Toll Schedule shall prevail.
- 11.2 This Toll Schedule, the List of Tolls and the General Terms and Conditions are subject to the provisions of the CER Act or any other legislation passed in amendment thereof or substitution therefor.
- 11.3 This Toll Schedule together with the provisions of the General Terms and Conditions supercedes and replaces all previous Toll Schedules applicable to the Dawn LTFP Contract.