

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

**1.0 DEFINITIONS**

**1.1** 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 Points, other than a Storage Receipt Point or an Extraction Receipt Point, provided that each Schedule of Service under Rate Schedule FT-P shall not set out more than fifty (50) Receipt Points;
- (ii) the transportation of gas through the Facilities that Company determines necessary to provide services under the Tariff; and
- (iii) the delivery of gas to Customer at Customer's Group 2 Delivery Point other than a Storage Delivery Point or an Extraction Delivery Point.

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 Schedule of Service under Rate Schedule FT-P.

**2.2** The Service is available to any Customer that requests a Points to Point Contract Demand of  $140.0 \times 10^3 \text{m}^3/\text{d}$  (5.0 MMcf/d) or greater and has executed a Service Agreement and Schedule of Service under Rate Schedule FT-P. A standard form Service Agreement for Service under this Rate Schedule FT-P is attached.

### **3.0 PRICING**

**3.1** Subject to paragraph 3.2, the rate used in calculating Customer's monthly demand charge under each of Customer's Schedules of Service for Service under Rate Schedule FT-P is the FT-P Demand Rate.

**3.2** If the term of Customer's Schedule of Service for any new Service or any renewed Service under Rate Schedule FT-P is:

- (i) five (5) years or greater the Price Point shall be 95% (Price Point "A"), unless it falls within the criteria set out in (iv);
- (ii) at least three (3) years but less than five (5) years the Price Point shall be 100% (Price Point "B");
- (iii) at least one (1) year but less than three (3) years the Price Point shall be 105% (Price Point "C"); or
- (iv) five (5) years or greater, for a Points to Point Contract Demand of between 4,000  $10^3 \text{m}^3/\text{d}$  and a maximum Points to Point Contract Demand of less than 10,500  $10^3 \text{m}^3/\text{d}$ ; and having all Receipt Points within 100 km of the Delivery Point, then the Price Point shall be 85% of Price Point "A" (Price Point "D").

#### 4.0 CHARGE FOR SERVICE

##### 4.1 Aggregate of Customer's Monthly Demand Charges

The aggregate of 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:

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

Where:

“MDC” = the aggregate of the demand charges applicable to such Schedule of Service for such Billing Month;

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

“P” = the applicable Price Point for such Schedule of Service;

“A” = each Points 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 such Points to Point Contract Demand under such Schedule of Service; and

“C” = the number of days in such Billing Month.

#### 4.2 Aggregate of Customer's Surcharges

The aggregate of Customer's Surcharges for a Billing Month shall be equal to the sum of all Surcharges applicable to each of Customer's Schedules of Service under Rate Schedule FT-P.

#### 4.3 Customer's Monthly Receipt Points Over-Run Gas Charges

Customer's charges for Receipt Points Over-Run Gas in a Billing Month for Service under Rate Schedule FT-P shall be equal to the sum of the monthly charges for such Over-Run Gas for each of Customer's Schedule of Service under Rate Schedule FT-P, determined as follows:

$$\text{MOC} = (\text{V} \times \text{Z}) + (\text{V} \times \text{A})$$

Where:

"MOC" = the monthly charge for such Over-Run Gas under such Schedule of Service;

"V" = total volume of gas allocated to Customer by Company as Receipt Over-Run Gas in accordance with paragraph 4.9 for Service under such Schedule of Service for Rate Schedule FT-P for such Billing Month;

"Z" = the highest IT-R Rate at the Receipt Points set out in such Schedule of Service; and

"A" = the Daily Abandonment Surcharge.

#### 4.4 Customer's Monthly Delivery Point Over-Run Gas Charge

Customer's charges for Delivery Point Over-Run Gas in a Billing Month for Service under Rate Schedule FT-P shall be equal to the sum of the monthly charges for such Over-Run Gas for each of Customer's Schedule of Service under Rate Schedule FT-P, determined as follows:

$$\text{MOC} = (V \times Z) + (V \times A)$$

Where:

"MOC" = the monthly charge for such Over-Run Gas under such Schedule of Service;

"V" = total volume of gas allocated to Customer by Company as Delivery Over-run Gas in accordance with paragraph 4.10 for Service under such Schedule of Service for Rate Schedule FT-P for such Billing Month;

"Z" = the IT-D Rate at such Delivery Point; and

"A" = the Daily Abandonment Surcharge.

4.5 The calculation of Customer's charge for Over-Run Gas in paragraphs 4.3 and 4.4 shall not take into account Customer's Inventory on the last day of the Billing Month.

#### 4.6 Charge for Gas Used and Gas Lost

The aggregate of Customer's charges for Gas Used and Gas Lost in a Billing Month for Service under Rate Schedule FT-P shall be equal to the sum of the monthly charges for Gas Used and Gas Lost for each Schedule of Service under Rate Schedule FT-P determined as follows:

$$\text{GU} = [\text{E} \times (\text{H} \times 0.5) + (\text{ROG} \times \text{H})] \times \text{P}$$

Where:

“GU” = the monthly charge for Gas Used and Gas Lost under such Schedule of Service;

“E” = Customer's Eligible Points to Point Volume for such Schedule of Service for the Billing Month;

“H” = Company's system fuel percentage for Gas Used and Gas Lost for the Billing Month;

“ROG” = The amount of gas determined by Company to be Customer's Over-Run Gas for the month as determined in paragraph 4.9; and

“P” = Company's Gas Use Price.

#### 4.7 Aggregate of Customer's Monthly FT-P Credit

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

$$FC = \sum [ (RV - RO) \times RCR + (DV - DO) \times DCR ]$$

Where:

“FC” = the aggregate of Customer's FT-P Credits for such Billing Month;

“RV” = the total volume of gas allocated to Customer by Company as Receipt Over-Run Gas in accordance with paragraph 4.9;

“RO” = the aggregate volume of gas received from Customer at the Receipt Points for such Billing Month in excess of the Points to Point Contract Demand multiplied by the number of days such Points to Point Contract Demand was in effect for such Billing Month;

“RCR” = the FT-P Receipt Credit Rate for such Schedule of Service;

“DV” = the total volume of gas allocated to Customer by Company as Delivery Over-Run Gas in accordance with paragraph 4.10;

“DO” = the aggregate volume of gas delivered to Customer at the Delivery Point for such Billing Month in excess of the Points to Point Contract Demand multiplied by the number of days such Points to Point Contract Demand was in effect for such Billing Month; and

“DCR” = the FT-P Delivery Credit Rate for such Schedule of Service.

#### 4.7.1 Aggregate of Customer's Monthly FT-P Abandonment Charge Credit

The aggregate of Customer's monthly FT-P Abandonment Charge credit for a Billing Month shall be equal to the sum of the monthly FT-P Abandonment Charge credits for each of Customer's Schedule of Service under Rate Schedule FT-P, determined as follows:

$$AC = \sum [ (RV - RO) \times DAS + (DV - DO) \times AS ]$$

Where:

“AC” = the aggregate of Customer's FT-P Abandonment credits for such Billing Month;

“RV” = the total volume of gas allocated to Customer by Company as Receipt Over-Run Gas in accordance with paragraph 4.9;

“RO” = the aggregate volume of gas received from Customer at the Receipt Points for such Billing Month in excess of the Points to Point Contract Demand multiplied by the number of days such Points to Point Contract Demand was in effect for such Billing Month;

“DV” = the total volume of gas allocated to Customer by Company as Delivery Over-Run Gas in accordance with paragraph 4.10;

“DO” = the aggregate volume of gas delivered to Customer at the Delivery Point for such Billing Month in excess of the Points to Point Contract Demand multiplied by the number of days such Points to Point Contract Demand was in effect for such Billing Month; and

“DAS” = the Daily Abandonment Surcharge.



#### 4.8 Aggregate Charge For Service

Customer shall pay for each Billing Month the sum of the amounts calculated in accordance with paragraphs 4.1, 4.2, 4.3, 4.4 and 4.6, less the FT-P Credit determined in paragraph 4.7 and the FT-P Abandonment Charge credit determined in paragraph 4.7.1.

#### 4.9 Allocation of Gas Received

Notwithstanding any other provision of this Rate Schedule, any Service Agreement or the General Terms and Conditions of the Tariff, and without regard to how gas may have been nominated for each FT-P Customer Account, the aggregate volume of gas received from Customer at the Receipt Points shall be allocated for billing purposes as follows:

- (i) first to service to Customer under Rate Schedule FT-P to a maximum of such Customer's Eligible Points to Point Volume under such Rate Schedule FT-P; and
- (ii) secondly as Over-Run Gas and charged in accordance with paragraph 4.3.

#### 4.10 Allocation of Gas Delivered

Notwithstanding any other provision of this Rate Schedule, any Service Agreement or the General Terms and Conditions of the Tariff, and without regard to how gas may have been nominated for each FT-P Customer Account, the aggregate volume of gas delivered to Customer at the Delivery Point shall be allocated for billing purposes as follows:

- (i) first to service to Customer under Rate Schedule FT-P to a maximum of such Customer's Eligible Points to Point Volume under such Rate Schedule FT-P; and

- (ii) secondly as Over-Run Gas and charged in accordance with paragraph 4.4.

## **5.0 TERM OF SERVICE**

### **5.1 Term of a Schedule of Service**

If, in the provision of new Service, Company determines that:

- (i) no new Facilities are required to be installed or constructed to provide the Service requested, the minimum term of the Schedule of Service shall be one (1) year; or
- (ii) new Facilities are required to be installed or constructed to provide the Service requested, the minimum term of the Schedule of Service shall be equal to the Primary Term.

**5.2** The Price Point for the term shall be determined in the manner described in paragraph 3.2.

### **5.3 Term of Service Agreement**

Customer's Service Agreement shall terminate on the latest Service Termination Date of Customer's Schedules of Service for Service under Rate Schedule FT-P.

## 6.0 CAPACITY RELEASE

6.1 A Customer entitled to receive Service under Rate Schedule FT-P shall not be entitled to reduce Customer's FT-P Contract Demand for all or any portion of its Service under a Schedule of Service under Rate Schedule FT-P.

## 7.0 TRANSFER OF SERVICE

7.1 If Customer desires to transfer all or any portion of Service under a Schedule of Service from one Receipt Point to another Receipt Point set out in the same Schedule of Service, Customer shall give Notice to Company of Customer's request for such transfer specifying the Receipt Points, the Schedule of Service and the portion of the Receipt Contract Demand that Customer wishes to transfer.

7.2 Company is under no obligation to permit the transfer requested in paragraph 7.1, but may permit such transfer provided that:

- (i) such Receipt Points are set out in the same Schedule of Service for Service under Rate Schedule FT-P;
- (ii) Company determines that sufficient capacity exists in the Facilities to accommodate the transfer;
- (iii) Company determines that the construction or installation of new Facilities that are directly attributable to the transfer is not required; and
- (iv) Customer executes new Schedules of Service.

## **8.0 TERM SWAPS**

**8.1** A Customer entitled to receive Service under Rate Schedule FT-P shall not be entitled to swap the Service Termination Date of any Schedule of Service under Rate Schedule FT-P with the Service Termination Date under any Schedule of Service.

## **9.0 TITLE TRANSFERS**

**9.1** A Customer entitled to receive Service under Rate Schedule FT-P shall not be entitled to transfer or accept a transfer of Customers' inventory to or from any other Customer's Account.

## **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 as Service under either Rate Schedule FT-P or Rate Schedule FT-R, provided Customer gives Notice to Company of such renewal at least one (1) year prior to the Service Termination Date. If Customer does not specify which Rate Schedule the Service is to be renewed under, the Service shall be renewed under Rate Schedule FT-P. If Customer does not provide such Notice, the Service shall expire on the Service Termination Date.

### **10.2 Irrevocable Notice**

Customer's Notice shall be irrevocable one (1) year prior to the Service Termination Date.

Any renewal of Service is subject to the Financial Assurances 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. The Price Point for the renewal term shall be determined in the manner described in paragraph 3.2 based on the length of the renewal term requested by Customer.

### **10.4 Temporary Conversion**

Paragraphs 10.1 to 10.3 shall not apply during a Temporary Conversion from Rate Schedule FT-D and paragraphs 10.1 to 10.3 of Rate Schedule FT-D shall apply.

Paragraphs 10.1 to 10.3 shall not apply during a Temporary Conversion from Rate Schedule FT-R and paragraphs 12.1 to 12.3 of Rate Schedule FT-R shall apply.

## **11.0 ACCOUNT BALANCE**

**11.1** Notwithstanding paragraph 4 and 5 of the "Terms and Conditions Respecting Customer's Inventories and Related Matters" in Appendix "D" of the Tariff, Company will (if required) once each Day and once each month balance each FT-P Customer Account to zero.

## **12.0 APPLICATION FOR SERVICE**

**12.1** Applications for Service under this Rate Schedule FT-P shall be in such form as Company may prescribe from time to time.

**13.0 GENERAL TERMS AND CONDITIONS**

**13.1** The General Terms and Conditions of the Tariff and the provisions of any Service Agreement for Service under Rate Schedule FT-P are applicable to Rate Schedule FT-P to the extent that such terms and conditions and provisions are not inconsistent with this Rate Schedule.

**SERVICE AGREEMENT  
RATE SCHEDULE FT-P**

BETWEEN:

NGTL GP Ltd., as general partner on behalf of NGTL Limited Partnership, a body corporate having an office in Calgary, Alberta (“Company”)

- and -

•, a body corporate having an office in •, • (“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.
4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in

Rate Schedule FT-P.

5. Customer shall:
- (a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule FT-P including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and
  - (b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas volume actually received or the aggregate gas volume actually delivered at the Facilities is different than forecast.



7. Every notice, request, demand, statement, bid or bill 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 (collectively referred to as “Notice”) 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:

•

•

•

Attention: •

Fax: •

Company:

•

•

•

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal

delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix “F” of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

Any Notice posted on the Website shall be deemed to be given one (1) hour after posting.

(b) Notice may also be given by telephone followed immediately by fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone Notice.

8. The terms and conditions of Rate Schedule FT-P, the General Terms and Conditions and Schedule of Service under Rate Schedule FT-P are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.

•

**NGTL GP Ltd., as general partner  
on behalf of NGTL Limited Partnership**

Per:

\_\_\_\_\_

Per:

\_\_\_\_\_

Per:

\_\_\_\_\_

Per:

\_\_\_\_\_

**SCHEDULE OF SERVICE  
 RATE SCHEDULE FT-P**

CUSTOMER: •

SERVICE TERMINATION DATE: •

POINT TO POINT DISTANCE (km): •

PRICE POINT: •

| Schedule of Service Number | Group 2 Delivery Point Number and Name | Legal Description | Maximum Delivery Pressure kPa | Points to Point Contract Demand 10 <sup>3</sup> m <sup>3</sup> /d | Additional Conditions |
|----------------------------|--|-------------------|-------------------------------|---|-----------------------|
| •                          | • •                                    | •                 | •                             | •   | •                     |

| Reference Number | Receipt Points Number and Name | Legal Description | Maximum Receipt Pressure kPa | Receipt Contract Demand 10 <sup>3</sup> m <sup>3</sup> /d |
|------------------|--------------------------------|-------------------|------------------------------|---|
| •                | • •                            | •                 | •                            | •   |
| •                | • •                            | •                 | •                            | •   |
| •                | • •                            | •                 | •                            | •   |

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

•  
 Per: \_\_\_\_\_  
 Per: \_\_\_\_\_

NGTL GP Ltd., as general partner on behalf of NGTL Limited Partnership  
 Per: \_\_\_\_\_  
 Per: \_\_\_\_\_