

**4.1 RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE****4.1.1 AVAILABILITY**

This rate schedule is available to any person, corporation, partnership or any other party (hereinafter referred to as "Shipper") for the Transportation of gas by Great Lakes Pipeline Canada Ltd. (hereinafter referred to as "Transporter"), when:

- (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform firm Transportation Service requested by Shipper; and
- (b) Shipper and Transporter have executed a Transportation Service Agreement (Agreement) in the form prescribed under this Rate Schedule FT, for firm Transportation Service under this rate schedule.

4.1.2 APPLICABILITY AND CHARACTER OF SERVICE

- (a) Transporter shall accept for the account of Shipper at the point of receipt on any Gas Day the quantity of gas tendered by or for the account of Shipper; provided, however, that Transporter shall not be obligated to receive on any Gas Day a quantity of gas in excess of the applicable MDQ specified in the Agreement plus applicable Transporter's Use as determined in Section 5.18 of the General Terms and Conditions of this Gas Tariff. Upon receipt of such gas for Shipper's account, Transporter shall transport and deliver for the account of Shipper an Equivalent Quantity of gas at the point of delivery; provided however, that Transporter shall not be obligated to deliver at any point of delivery on any Gas Day a quantity of gas in excess of the quantity specified in the Agreement applicable for such delivery point.
- (b) Shipper's MDQ shall be a uniform quantity throughout the term of the Agreement, except that Transporter may, on a not unduly discriminatory basis, agree to certain differing levels in Shipper's MDQ for specified periods throughout the term of the Agreement. Shipper's MDQ, along with the effective period of such differing MDQ levels, shall be specified in Appendix A of the Agreement.
- (c) Service shall commence under this rate schedule on the earlier of: (i) the date Shipper first tenders gas to Transporter for Transportation under the Agreement; or (ii) the first Gas Day of the Month following the Shipper's execution of the Agreement; or (iii) such other date as is mutually agreed to by the parties, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory

authorization to provide firm Transportation Service to Shipper in accordance with the terms of this rate schedule and the Agreement.

- (d) Transporter and Shipper may agree, on a not unduly discriminatory basis, to contract extensions, including bilateral evergreens, rollovers and other extensions. Any such contract extension provision shall be specified in the Agreement.
- (e) Transportation Service rendered under this rate schedule shall be firm, up to the MDQ on any Gas Day, and shall not be subject to interruption except as provided for elsewhere in this Gas Tariff. The MDQ shall be specified in the Agreement, and shall be a quantity sufficient to avoid measurement difficulties relative to small amounts of gas.
- (f) Service Extension Rights
 - (1) Service provided under this rate schedule terminates upon the expiration of the primary term of the Agreement, unless:
 - (i) Transporter and Shipper have mutually agreed to continue service pursuant to a contractual bilateral evergreen right;
 - (ii) Shipper has renewed service pursuant to the provisions of Section 5.13 of the General Terms and Conditions of Transporter's Gas Tariff; or
 - (iii) Transporter and Shipper have mutually agreed to early termination of the Agreement.
 - (2) For Agreements subject to a right of first refusal under Section 5.13 of the General Terms and Conditions of this Gas Tariff, Shipper and Transporter may mutually agree to extend the Agreement in accordance with Section 5.13.1, paragraph (c), of the General Terms and Conditions of Transporter's Gas Tariff.

4.1.3 GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of this Gas Tariff are applicable and hereby made a part of this rate schedule.

4.1.4 RATES AND CHARGES

Shipper shall pay Transporter each month, for service provided pursuant to this rate schedule, the sum of the amounts due under the subsections of this Section 4.1.4. Such amounts shall be computed by use of the applicable rate(s) as set forth in Section 3 of this Gas Tariff, provided, however, that Transporter shall have the ability to discount the

rate(s) as set forth in Section 3 in consideration for a volume or term commitment by Shipper, for competitive reasons, or for reasons otherwise mutually agreed upon between Transporter and Shipper. Such rate(s) shall be set forth in writing in Shipper's Agreement.

4.1.4.1 Firm Transportation Service.

(a) Monthly Reservation Fees:

Reservation fees shall be paid based upon the Agreement's MDQ and the currently effective reservation rate as set forth in Section 3 of this Gas Tariff, or as otherwise negotiated between Transporter and Shipper.

4.1.4.2 Changes in Rates.

The rates specified in this Gas Tariff, for the service performed by Transporter for Shipper under this Rate Schedule FT, will be in effect until replaced or superseded by some other legally effective rate applicable to that service.

4.1.5 ADDITIONAL CHARGES

Shipper shall reimburse Transporter for all fees required by any regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

4.1.6 CREDITWORTHINESS

Any Shipper or potential Shipper under this Rate Schedule shall be subject to the creditworthiness requirements of Section 5.17 of the General Terms and Conditions of this Gas Tariff.

4.1.7 ASSIGNMENT

1. Shipper may assign to third parties rights to transport contracted capacity, or any portion thereof, as provided under a FT Firm Transportation Agreement on a temporary or permanent basis, provided, however, Shipper and third party assignee execute an assignment agreement. Any rights assigned hereunder are subject to all terms and provisions of this Gas Tariff, including the General Terms and Conditions and this Rate Schedule FT.

2. All assignments between shippers and assignees shall be at the Rate Schedule FT rate(s) that are applicable to assignor's FT Firm Transportation Agreement. Permanent assignments shall be for the same contract term as assignor's FT Firm Transportation Agreement. Notwithstanding any assignment hereunder, the assignor shall remain responsible for payment of the assignee's contracted charges applicable to any Rate Schedule FT firm transportation service contracted capacity that has been temporarily assigned. The assignor shall receive a credit equaling the dollars that Transporter receives from the assignee concurrent with Transporter's invoice to the assignee for the temporarily assigned capacity. If the assignee defaults and Transporter must seek payment from the assignor, Transporter may charge the assignor interest on the unpaid balance.