ENHANCED MARKET BALANCING SERVICE

EMB TOLL SCHEDULE

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1. AVAILABILITY

1.1 Any Customer shall be eligible to receive service pursuant to this Toll Schedule provided that Customer:

(a) has entered into an Enhanced Market Balancing Service Contract with TCPL having a minimum term of one (1) year; or has obtained an Order of the CER, pursuant to Subsection 239(2) of the CER Act as amended from time to time ("239(2) Order"), requiring TCPL to transport gas for Customer subject to the provisions of this Toll Schedule and to the terms and conditions contained in the 239(2) Order; and

(b) has pipeline facilities interconnecting with TCPL's facilities at the delivery point(s) specified in the Contract, or which has provided TCPL with adequate assurances that arrangements have been made to have an authorized gas distribution or transmission company act as Customer's agent in receiving from TCPL the gas to be delivered pursuant to this Toll Schedule; and

(c) has provided TCPL with financial assurances as required by TCPL pursuant to Section XXIII of the General Terms and Conditions referred to in Section 8 hereof.

1.2 **Facilities Construction Policy**

In order to provide service pursuant to this Toll Schedule, TCPL utilizes capacity available from its own gas transmission system, from TCPL's firm transportation service entitlement on Other Pipelines, and through other agreements with other parties (the "Combined Capacity"). If a request for service pursuant to this Toll Schedule (the "Requested Service") requires an increase to the Combined Capacity, TCPL is prepared to use all reasonable efforts to enable it to increase the Combined Capacity to the extent necessary provided that:

(a) there is reasonable expectation of a long term requirement for the increase in the Combined Capacity;

(b) the Contract term shall be as specified in Section 5.1 of TAPs from the New Service Start Date as defined in Section 1.1 of TAPs;

(c) the CER approves the additional facilities and/or transportation services necessary to increase the Combined Capacity; and

(d) the availability provisions of Section 1.1 hereof are satisfied with respect to the Requested Service.

1.3 Service pursuant to this Toll Schedule shall only be available from receipt points for which FT service is available and to domestic delivery areas for which FT service is available. Nominations for this service must be from and to the interconnecting pipeline and shall be subject to such interconnecting operator's confirmation of such nomination within each nomination cycle.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 On each day during the term of the 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 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. MONTHLY BILL

3.1 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, the Abandonment Charge and, where applicable, a delivery pressure service charge, the Union Dawn Receipt Point Surcharge and the Rate Rider Charge or Credit and shall be calculated by applying, as follows, the applicable tolls as approved by the CER (as set forth in the List of Tolls referred to in Section 8 hereof):

(a) **Demand Charge**

For each month, the demand charge for transportation service shall be equal to the applicable EMB Monthly Demand Toll multiplied by Customer's Contract Demand. If Customer's Contract Demand changes during a month, then a weighted average daily Contract Demand shall be determined for such month and shall be used to calculate the demand charge for such month. 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 2.1 hereof, to deliver Customer's Authorized Quantity to TCPL at the receipt point.

(b) **Delivery Pressure Service**

For each month, the demand charge for delivery pressure service at each delivery point at which a toll for delivery pressure has been set shall be equal to the applicable Delivery Pressure Monthly Demand Toll multiplied by Customer's Contract Demand in effect at each such delivery point. If Customer's Contract Demand changes during a month, then a weighted average daily Contract Demand shall be determined for such month and shall be used to calculate the demand charge for such month. 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 2.1 hereof, to deliver Customer's Authorized Quantity to TCPL at the receipt point.

(c) **Union Dawn Receipt Point Surcharge**

Each month, Customer shall pay the Union Dawn Receipt Point Surcharge for service from the Union Dawn receipt point notwithstanding any failure by Customer during such month, for any reason whatsoever including force majeure or a default by Customer under Section 2.1 hereof, to deliver Customer's Authorized Quantity to TCPL at the Union Dawn receipt point.

(d) **Fuel**

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

(e) **Abandonment Charge**

Each month, Customer shall pay to TCPL an Abandonment Charge determined by multiplying Customer's Contract Demand by the applicable Monthly Abandonment Surcharge. If Customer's Contract Demand changes during a month, then a weighted average daily Contract Demand shall be determined for such month and shall be used to calculate the Abandonment Charge for such month. The Abandonment 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 2.1 hereof, to deliver Customer's Authorized Quantity to TCPL at the receipt point.

(f) **Rate Rider Charge or Credit**

For each month, the Rate Rider Charge or Credit for transportation service shall be equal to the applicable Monthly Rate Rider multiplied by Customer's Contract Demand. If Customer's Contract Demand changes during a month, then a weighted average daily Contract Demand shall be determined for such month and shall be used to calculate the Rate Rider Charge or Credit for such month. The Rate Rider Charge or Credit will be applied notwithstanding any failure by Customer during such month, for any reason whatsoever including force majeure or a default by Customer under Section 2.1 hereof, to deliver Customer's Authorized Quantity to TCPL at the receipt point.

4. MINIMUM BILL

4.1 The minimum monthly bill for service hereunder shall be the sum of the charges determined in Subsections 3.1 (a), 3.1 (e) and (if applicable) 3.1 (b), 3.1 (c) and 3.1 (f) hereof, after giving effect to any adjustment pursuant to Section 5 hereof.

5. DEMAND CHARGE ADJUSTMENTS

5.1 If during any day, during the period of November 1 of a year to March 31 of the following year, 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. 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.

5.2 For any day, during the period of November 1 of a year to March 31 of the following year, on which transportation service charges are adjusted pursuant to Section 5.1 above, the Union Dawn Receipt Point Surcharge payable by Customer pursuant to Subsection 3.1(c) hereof shall also be adjusted. Such surcharge shall be reduced by an amount equal to the applicable Union Dawn Receipt Point Daily Demand Toll multiplied by the difference between the quantity of gas which TCPL actually transported from the Union Dawn receipt point on such day and the quantity which such Customer in good faith nominated for transport on such day.

For any day on which transportation service charges are adjusted pursuant to Section 5.1, the delivery pressure charge payable by Customer pursuant to Subsection 3.1 (b) hereof shall also be adjusted. The delivery pressure charge shall be reduced by an amount equal to the applicable Delivery Pressure Daily Demand Toll multiplied by the difference between the quantity of gas which TCPL actually delivered to Customer on such day and the quantity which such Customer in good faith nominated for delivery on such day.

5.3 For any day on which transportation service charges are adjusted pursuant to Section 5.1, the Abandonment Charge payable by Customer pursuant to Subsection 3.1(e) hereof shall also be adjusted. The Abandonment Charge shall be reduced by an amount equal to the applicable Daily Abandonment Surcharge 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 for delivery on such Day.

5.4 For any day on which transportation service charges are adjusted pursuant to Section 5.1, the Rate Rider Charge or Credit pursuant to Subsection 3.1(f) hereof shall also be adjusted. The Rate Rider Charge or Credit shall be adjusted by subtracting an amount equal to the applicable Daily Rate Rider 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 for delivery on such Day.

6. ASSIGNMENT

6.1 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 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 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 Contract from pledging or mortgaging its rights thereunder as security for its indebtedness. Such Contract shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties thereto. No assignment hereunder in respect of a service which has already resulted in a reduction of the affected distributor's Contract Demand shall entitle such distributor to any further reduction in its Contract Demand.

6.2 Assignments at a discount negotiated between assignors and assignees are permitted, provided that the approved toll continues to be paid to TCPL.

6.3 Save as herein provided, assignments of any Contracts into which this Toll Schedule is incorporated are expressly prohibited.

7. RENEWAL RIGHTS

7.1 Subject to Sections 7.4 and 7.5 and pursuant to any Contract into which this EMB Toll Schedule is incorporated and which Contract has been determined by TCPL to be serving a

long term market, and subject to the following conditions, Customer shall have the option (the "Renewal Option") of extending the existing term (the "Existing Term") for a period of either (the “Renewal Term”): i) one or more annual periods ending on same calendar date as the expiry of the Existing Term; 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 extend the Existing Term to the requested October 31. Customer shall also have the option of revising the Contract Demand to a level no greater than the Contract Demand set out in the Contract (the "Renewal CD"). The Renewal Option and the Renewal CD shall be subject to the following conditions:

(a) TCPL receives written notice from Customer of Customer’s election to exercise the Renewal Option which sets out the term and Contract Demand of such renewal (the "Renewal Provisions") no less than twenty-four (24) consecutive months before the termination date which would otherwise prevail under the Contract; and

Temporary Subsection 7.1(a):

Until December 31, 2030, subsection 7.1(a) above will temporarily be suspended and will be replaced with the following subsection 7.1(a):

(a) TCPL receives written notice from Customer of Customer’s election to exercise the Renewal Option which sets out the term and Contract Demand of such renewal (the "Renewal Provisions") no less than twelve (12) consecutive months before the termination date which would otherwise prevail under the Contract; and

For clarity, this paragraph 7.1(a) is only applicable to Customer’s Contract for which the ability to exercise the Renewal Option has not previously expired prior to the effective date of this temporary subsection as a result of the application of Section 7.1 and Section 7.5.

(b) Customer supplies TCPL at the time of such notice with evidence satisfactory to TCPL that Customer will meet the availability provisions of the EMB Toll Schedule in respect of the Renewal Provisions prior to the commencement of the Renewal Term.

TCPL may accept late notice of Customer's election to exercise the Renewal 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 renewal 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. Contracts may be revised as of the effective renewal date to adhere to the then current Pro Forma Firm Transportation Service Contract.

Customer may exercise the Renewal Option more than one time provided that the conditions found in this Section 7.1 and in Section 7.2 hereof are met upon each and every exercise of the Renewal Option.

7.2 Provided TCPL has either received timely notice as provided in Subsection 7.1(a) above from Customer of Customer's election to exercise the Renewal Option, or accepted late notice from Customer of its election to exercise the Renewal Option, and provided that Customer has met the availability provisions of the EMB Toll Schedule in respect of the Renewal Provisions, the Contract shall be amended as follows:

(a) the Contract Demand set out in the Contract shall be revised to the level specified in the Renewal Provisions, effective as of the commencement of the Renewal Term; and

(b) the term of the Contract shall be extended to that specified in the Renewal Provisions, effective as of the expiry of the Existing Term.

7.3 All renewals shall be stated in GJ.

7.4 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 notice of a term-up requirement ("Term-up Notice") to Customer if TCPL determines Customer's Contract may impact the design of the Expansion Facilities.

7.5 Upon receipt of the Term-up Notice Customer may elect, within sixty (60) days of receipt of the Term-up Notice, to extend the Existing Term of the Contract for all or a portion of the Contract Demand for an additional period such that the new service termination date of the Contract shall be no less than five (5) years after the expected New Service Start Date (as defined in Section 1.1 of TAPs) of the Expansion Facilities. If a Customer does not elect to extend its Existing Term within such sixty (60) day period, the Customer shall no longer be entitled to renew the Contract pursuant to Section 7.1 and the Contract shall expire at the end of the Existing Term.

8. MISCELLANEOUS PROVISIONS

8.1 The General Terms and Conditions and the List of Tolls of the Tariff, 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.

8.2 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.

8.3 This Toll Schedule together with the provisions of the General Terms and Conditions supercedes and replaces all previous Toll Schedules applicable to the Contract.