FIRM TRANSPORTATION SERVICE

FT 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 a Firm Transportation Service Contract ("FT Contract" or "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;

(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 11 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.

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, the demand charge for delivery pressure service, 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 11 hereof):

(a) **Demand Charge**

For each month, the demand charge for transportation service shall be equal to the applicable 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 Subsection IV (1)(a) 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) Subsections 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, 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. Notwithstanding the foregoing, if the quantity of gas which TCPL fails to deliver is the subject of an accepted nomination for a Diversion and/or an Alternate Receipt, then TCPL shall only be obligated to reduce the monthly demand charge if such Diversion is a Diversion and/or such Alternate Receipt 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.

5.2 For any day on which transportation service charges are adjusted pursuant to Section 5.1 above, the delivery pressure charge, the Union Dawn Receipt Point Surcharge, the Abandonment Charge and the Rate Rider Charge or Credit pursuant to Subsections 3.1 (b), 3.1(c), 3.1(e) and 3.1(f) 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.

The Union Dawn Receipt Point 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.

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.

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. ALTERNATE RECEIPT AND DIVERSION OF GAS

6.1 (a) TCPL will post on its website the eligible Alternate Receipt and/or Diversion point(s) or delivery area(s) for System Segments, which may be updated from time to time for new receipt and delivery point combinations.

(b) Subject to the provisions herein, Customer shall have the right to nominate an Alternate Receipt and/or a Diversion from/to points or delivery areas posted pursuant to Subsection 6.1(a) in the manner provided herein.

(c) The aggregate of all nominations for delivery hereunder shall not exceed the Contract Demand under Customer's Contract.

(d) Customer shall not be entitled to nominate a Diversion to a delivery point or delivery area which is upstream of the receipt point specified in Customer's Contract or upstream of the Alternate Receipt point.

(e) Customer shall not be entitled to nominate an Alternate Receipt from a receipt point that is upstream of the receipt point specified in Customer's Contract or is downstream of the delivery point or delivery area specified in Customer's Contract.

(f) For the purpose of Section XVI of the General Terms and Conditions, Alternate Receipts and Diversions shall be equivalent to service under an STS Contract.

6.2 Any nomination by Customer for an Alternate Receipt and/or a Diversion under Customer's Contract must be received by TCPL's Gas Control Department at the time specified pursuant to Section XXII of the General Terms and Conditions.

6.3 TCPL shall have the right to not accept a nomination made pursuant to Section 6.2 hereof or to accept only a portion of the quantities so nominated if the Alternate Receipt and/or the Diversion 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 Alternate Receipt and/or the Diversion nominated by Customer or if such Alternate Receipt and /or Diversion 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 Alternate Receipts, and/or Diversions in accordance with Section XV of the General Terms and Conditions.

6.4. **Alternate Receipt and Diversions Return Home**

In the event that TCPL does not accept a nomination for an Alternate Receipt and/or a Diversion pursuant to Sections 6.2 and 6.3 hereof, or accepts only a portion of the quantity so nominated, then TCPL shall exercise reasonable efforts to allow Customer to re-nominate the receipt point and/or delivery point or delivery area specified in Customer's Contract. TCPL shall have the right to reject any such re-nomination, or to accept only a portion of the quantity so re-nominated, if the re-nomination would negatively impact any other authorized transportation service. In any event, Customer shall pay the Daily Demand Toll based on the receipt point and delivery point or area specified in Customer's Contract for the entire quantity set out in an Alternate Receipt and/or Diversion nomination which was rejected by TCPL pursuant to Section 6.3 hereof.

(a) In addition to the charges payable pursuant to Subsections 3.1(a) and (d) above, Customer shall pay TCPL for all Alternate Receipts and Diversions, a charge equal to the aggregate of:

(i) the product obtained by multiplying the amount, if any, by which the Daily Demand Toll, applicable from the Alternate Receipt point to the delivery point or area specified in Customer's Contract, exceeds the applicable Daily Demand Toll from the receipt point to the delivery point or area which are specified in Customer's Contract, by Customer's Authorized Quantity, and

(ii) the product obtained by multiplying the amount, if any, by which the Daily Demand Toll, applicable from the receipt point specified in the Customer's Contract to the Diversion point, exceeds the applicable Daily Demand Toll from the receipt point to the delivery point or area which are specified in the Customer's Contract, by Customer's Authorized Quantity.

(b) If the gas is diverted hereunder to a delivery point at which a delivery pressure charge has been approved by the CER and no delivery pressure charge exists for the delivery point specified in Customer's Contract, then Customer shall pay TCPL, in addition to the charges provided above, an amount equal to the applicable Delivery Pressure Toll multiplied by Customer's total Diversion quantity at such delivery point for such month (a "Point Diversion Delivery Pressure Charge"). If a delivery pressure charge exists at the delivery point specified in Customer's Contract, then Customer shall pay TCPL, in addition to the delivery pressure charge described in Subsection 3.1(b) above, an amount (a "Point Diversion Delivery Charge") equal to the product obtained by multiplying Customer's total Diversion quantity at the delivery point which is the subject of the Diversion multiplied by that amount, if any, by which the Delivery Pressure Toll at the delivery point which is the subject of the Diversion exceeds the delivery pressure toll at the delivery point specified in Customer's Contract.

The total delivery pressure charge for Diversion quantities shall be the sum of the Point Diversion Delivery Pressure Charges at all applicable delivery points plus the delivery pressure charge, if any, payable pursuant to Subsection 3.1(b) above.

(c) If Customer nominates Union Dawn receipt point as an Alternate Receipt point, then Customer shall pay to TCPL, in addition to any other applicable charges, the Union Dawn Receipt Point Surcharge for service from the Union Dawn receipt point.

(d) In addition to the charges payable pursuant to Subsection 3.1(e), Customer shall pay to TCPL for all Alternate Receipts and Diversions, a charge equal to the aggregate of:

(i) the product obtained by multiplying the amount, if any, by which the Daily Abandonment Surcharge, applicable from the Alternate Receipt point to the delivery point or area specified in Customer's Contract, exceeds the applicable Daily Abandonment Surcharge from the receipt point to the delivery point or area which are specified in Customer's Contract, by Customer's Authorized Quantity; and

(ii) the product obtained by multiplying the amount, if any, by which the Daily Abandonment Surcharge, applicable from the receipt point specified in the

Customer's Contract to the Diversion point, exceeds the applicable Daily Abandonment Surcharge from the receipt point to the delivery point or area which are specified in the Customer's Contract, by Customer's Authorized Quantity.

(e) In addition to the Rate Rider Charge or Credit pursuant to Subsection 3.1(f), Customer shall either pay to TCPL or receive a credit from TCPL, as applicable, for all Alternate Receipts and Diversions, an amount equal to the aggregate of:

(i) for an Alternate Receipt, an amount (the DRRAR) determined as follows:

(I) if A is greater than or equal to B, then DRRAR = (A – B – C) x Qd

(II) if A is less than B, then DRRAR = 0

Where:

"DRRAR" is the incremental Daily Rate Rider Charge or Credit for an Alternate Receipt;

"A" is the sum of the Daily Rate Rider and the Daily Demand Toll applicable from the Alternate Receipt point to the delivery point or area specified in Customer's Contract;

"B" is the sum of the Daily Rate Rider and the Daily Demand Toll applicable from the receipt point to the delivery point or area specified in Customer's Contract;

"C" is the amount, if any, by which the Daily Demand Toll, applicable from the Alternate Receipt point to the delivery point or area specified in Customer's Contract, exceeds the applicable Daily Demand Toll from the receipt point to the delivery point or area specified in Customer's Contract; and

"Qd" is Customer's Authorized Quantity

and

(ii) for a Diversion, an amount (the DRRD) determined as follows:

(I) if D is greater than or equal to E, then DRRD = (D – E – F) x Qd

(II) if D is less than E, then DRRD = 0

Where:

"DRRD" is the incremental Daily Rate Rider Charge or Credit for a Diversion;

"D" is the sum of the Daily Rate Rider and the Daily Demand Toll applicable from the receipt point specified in Customer's Contract to the Diversion point;

"E" is the sum of the Daily Rate Rider and the Daily Demand Toll applicable from the receipt point to the delivery point or area specified in Customer's Contract;

"F" is the amount, if any, by which the Daily Demand Toll, applicable from the receipt point specified in Customer's Contract to the Diversion point, exceeds the applicable Daily Demand Toll from the receipt point to the delivery point or area specified in the Customer's Contract; and

"Qd" is Customer's Authorized Quantity.

7. ASSIGNMENT

7.1 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.

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

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

8. RENEWAL RIGHTS

8.1 Subject to Sections 8.4 and 8.5 and pursuant to any Contract into which this FT 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") of the Contract for a period of either (the "Renewal Term"): i) one or more annual periods ending on the 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 8.1(a):

Until December 31, 2030, subsection 8.1(a) above will temporarily be suspended and will be replaced with the following subsection 8.1(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 8.1(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 8.1 and Section 8.5.

(b) Customer supplies TCPL at the time of such notice with evidence satisfactory to TCPL that Customer will meet the availability provisions of the FT 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 8.1 and in Section 8.2 hereof are met upon each and every exercise of the Renewal Option.

8.2 Provided TCPL has either received timely notice as provided in Subsection 8.1(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 FT 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.

8.3 All renewals shall be stated in GJ.

8.4 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.

8.5 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 8.1 and the Contract shall expire at the end of the Existing Term.

9. TEMPORARY RECEIPT AND/OR DELIVERY POINT(S)

9.1 Upon receipt of a written request from Customer, TCPL may, in its sole discretion, allow Customer to temporarily change the receipt and/or delivery point(s) under a Contract. Such a temporary change in receipt and/or delivery point(s), once authorized by TCPL, shall apply for a minimum duration of three (3) months and shall not exceed the remaining term of the Contract.

9.2 Customer's limited entitlement to obtain temporary receipt and/or delivery point(s) may apply to the full Contract Demand specified in the Contract, or any portion thereof.

9.3 For transportation service from a temporary receipt point and/or to a temporary delivery point, Customer shall :

(a) pay the greater of each of the Monthly Demand Toll and the Monthly Abandonment Surcharge, that apply from the:

(i) original receipt point to the original delivery point specified in the Contract;

(ii) original receipt point to the temporary delivery point;

(iii) temporary receipt point to the original delivery point; or

(iv) temporary receipt point to the temporary delivery point;

as the case may be.

(b) pay the greater of the Delivery Pressure Monthly Demand Toll applicable to the original delivery point specified in the Contract and the Delivery Pressure Monthly Demand Toll which applies to the temporary delivery point, plus any fuel related to the delivery pressure; and

(c) pay the Union Dawn Receipt Point Monthly Surcharge, provided however:

(i) if Customer temporarily changes all or a portion of its Contract Demand from the Union Dawn receipt point to any other Receipt Point, the Contract Demand for the purposes of determining the Union Dawn Receipt Point Surcharge shall be Customer's original Contract Demand at the Union Dawn receipt point notwithstanding any temporary changes of all or a portion of such Contract Demand to any other Receipt Point; and

(ii) if Customer temporarily changes all or a portion of its Contract Demand from a receipt point other than the Union Dawn receipt point to the Union Dawn receipt point, the Contract Demand for the purposes of determining the Union Dawn Receipt Point Surcharge shall be the portion of such Contract Demand temporarily changed to the Union Dawn receipt point.

(d) pay a surcharge to TCPL or receive a credit from TCPL, as applicable, an amount equal to G minus H.

Where:

"G" is the greater of the aggregate sum of the Monthly Demand Toll and the Monthly Rate Rider that applies:

(i) from the original receipt point to the original delivery point specified in the Contract; or

(ii) from the receipt point to the delivery point that is applicable under Subsection 9.3 (a) (ii), (iii) or (iv)

and

"H" is the greater of the Monthly Demand Toll determined in Subsection 9.3 (a).

9.4 The Demand charges and credits, if applicable, set out in Subsections 9.3 a), b), c) and d) above will apply to 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 Receipt Gas to TCPL at the temporary receipt point.

9.5 Customer shall pay for or provide, on a daily basis, a quantity of fuel based on the applicable monthly fuel ratio established by TCPL for transportation for the quantity of gas delivered after giving effect to the temporary receipt and/or delivery point(s).

9.6 Upon acceptance by TCPL of Customer's request for a temporary receipt or delivery point, transportation service hereunder shall be firm in accordance with Section 2.1 of this FT Toll Schedule.

9.7 If Customer executes an Exhibit "B" to any STS-L Contract, Customer shall not be entitled to change any receipt and/or delivery points pursuant to this Section 9 for any of the Linked FT Contracts during the Linked Term both set out in such Exhibit "B".

10. CONVERSION RIGHTS

10.1 Customer may convert all or a portion of its service pursuant to an FT Contract to:

(a) service pursuant to an FT-SN Contract provided that:

(i) Customer submits a written request to TCPL for conversion of a specified FT Contract;

(ii) all the availability conditions set out in Section 1 of the FT-SN Toll Schedule have been satisfied; and

(iii) TCPL determines, in its sole discretion, it is able to accommodate the conversion to FT-SN with consideration for any operational matters including, but not limited to, flow control valves, meter capacity, changes in delivery patterns and transient effects.

(b) service pursuant to a MFP Contract provided that:

(i) Customer submits a written request during the MFP Bid Period (as defined in the MFP Toll Schedule) to TCPL for conversion to a MFP Block and System Segment;

(ii) all the availability conditions set out in Section 2.1 of the MFP Toll Schedule have been satisfied;

(iii) Customer requests conversion for the same receipt and delivery points specified in such FT Contract;

(iv) Customer's MFP Contract term meets the conditions set out in Section 3.2 of the MFP Toll Schedule; and

(v) If at the time of conversion the term of the applicable MFP Contract will expire prior to the term of the Customer's FT Contract, upon expiry of the MFP Contract, the service shall continue under the FT Contract.

(c) service pursuant to an EMB Contract provided that:

(i) Customer submits a written request to TCPL for conversion of a specified FT Contract;

(ii) the receipt and delivery points specified in the EMB Contract are eligible receipt and delivery points for EMB service and are the same receipt and delivery points specified in the FT Contract;

(iii) all the availability conditions set out in Section 1 of the EMB Toll Schedule have been satisfied; and

(iv) TCPL determines it is able to accommodate the conversion to EMB Service.

10.2 Subject to Sections 10.3 and 10.4 hereof and Sections 4 and 5 of TAPs, a Customer may convert all or a portion of its Contract Demand from a Long Haul Contract to a Short Haul Contract ("LH to SH Conversion"). For the purpose of Sections 10.2, 10.3 and 10.4 hereof:

"Long Haul Contract" shall mean FT Contracts on the System from receipt points at Empress and in Saskatchewan, with deliveries east of Station 41;

"Short Haul Contract" shall mean FT, FT-SN, FT-NR, and EMB Contracts on the System from receipt points in the Eastern Triangle to any delivery point on the System; and

"Eastern Triangle" or "ET" shall mean the area on the System that includes all existing or future System facilities including and east of the St. Clair and North Bay Junction receipt

points and including TCPL's contractual entitlement on Other Pipelines that TCPL relies on to provide firm service for the ET.

10.3 LH to SH Conversion for existing capacity is subject to the following:

(a) TCPL has posted existing capacity pursuant to Section 4 of TAPs;

(b) the term of the SH Contract shall be a minimum of one (1) year provided however:

(i) the date of commencement shall be the first day of a month and shall not commence prior to thirty (30) days after the close of the applicable open season; and

(ii) the service termination date shall be on the last day of a month and shall not expire prior to the service termination date of the LH Contract;

(c) the delivery point for the SH Contract and the LH Contract shall be the same; and

(d) all the availability conditions set out in Section 1 of applicable Toll Schedule for the SH Contract have been satisfied.

10.4 LH to SH Conversion for new capacity is subject to the following:

(a) If no existing capacity is available and Customer requires a LH to SH Conversion, Customer shall provide TCPL at least three (3) years prior written notice from the requested conversion date. If TCPL determines any Expansion Facilities are necessary for such LH to SH Conversion TCPL will post a new capacity open season pursuant to Section 5 of TAPs;

(b) the term of the SH Contract shall be a minimum term of fifteen (15) years provided however:

(i) the date of commencement shall be the New Service Start Date (as defined in Section 1.1 of TAPs) of the Expansion Facilities; and

(ii) the service termination date shall be on the last day of a month and shall not expire prior to the service termination date of the LH Contract;

(c) the delivery point for the SH Contract and the LH Contract shall be the same; and

(d) all the availability conditions set out in Section 1 of applicable Toll Schedule for the SH Contract have been satisfied.

11. MISCELLANEOUS PROVISIONS

11.1 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.

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 Contract.