

**RATE SCHEDULE IT-S**  
**INTERRUPTIBLE - ACCESS TO STORAGE**

**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 IT-S shall mean:

- (i) the delivery of gas by Company for Customer at Storage Delivery Points; and
- (ii) the receipt of gas by Company for Customer at Storage Receipt Points.

Subparagraphs (i) and (ii) are collectively referred to as the “Service” which includes transportation of gas that Company determines necessary to provide services under the Tariff.

**2.2** The Service is available to any Customer that has executed a Service Agreement and Schedule of Service under Rate Schedule IT-S and a valid Service Agreement under Rate Schedule FCS is executed by any Customer at the Storage Delivery Point provided that:

- (i) with respect to subparagraph 2.1(i), capacity exists in the Facilities that is not required by Company to provide service under Rate Schedule FT-A, Rate Schedule FT-D, Rate Schedule FT-X, Rate Schedule LRS-2, Rate Schedule STFT, Rate Schedule FT-P, Rate Schedule IT-D and Rate Schedule IT-S; and

- (ii) with respect to subparagraph 2.1(ii), capacity exists in the Facilities that is not required by Company to provide service under Rate Schedule FT-R, Rate Schedule FT-RN, Rate Schedule FT-P, Rate Schedule FT-X, Rate Schedule LRS, Rate Schedule LRS-2, Rate Schedule LRS-3, Rate Schedule IT-R and Rate Schedule IT-S.

A standard form Service Agreement for Service under Rate Schedule IT-S is attached.

- 2.3** Company shall not be required to construct or install Facilities for any Service under Rate Schedule IT-S. If Company determines that new Facilities are required that are directly attributable to Customer's request for Service, Company shall not be required to provide such requested Service unless a valid Service Agreement under Rate Schedule FCS exists in respect of such new Facilities.

### **3.0 CHARGE FOR SERVICE**

#### **3.1 Aggregate of Customer's Monthly Charge**

- (i) Customer undertakes to cause the operator of the gas storage facility connected to the Storage Receipt Point and the Storage Delivery Point to provide any information necessary to satisfy Company that the volume of gas received by Company at the Storage Receipt Point connected to a Storage Facility was previously delivered by Company at the Storage Delivery Point for such Storage Facility. If Company is satisfied that the volume of gas received by Company at the Storage Receipt Point connected to a Storage Facility was previously delivered by Company at the Storage Delivery Point for such Storage Facility, Company shall not charge Customer for Service under this Rate Schedule IT-S.

- (ii) If the operator of a gas storage facility fails to provide information to Company's satisfaction that all or a portion of the volume of gas received by Company at the Storage Receipt Point connected to a Storage Facility was previously delivered by Company at the Storage Delivery Point for such Storage Facility, then Company shall charge for such volumes in accordance with the allocations determined by Company in paragraph 4.1.
  
- (iii) If the operator of the gas storage facility fails to provide information to Company's satisfaction that all or a portion of the volume of gas delivered by Company at the Storage Delivery Point connected to a Storage Facility is for the sole purpose of storage and ultimate receipt by Company from such Storage Facility at the Storage Receipt Point, then Company shall charge for such volumes in accordance with the allocations determined by Company in paragraph 4.2.

### **3.2 Aggregate of Customer's Surcharges**

The aggregate of Customer's Surcharges for a Billing Month shall be equal to the sum of all Surcharges set forth in the Table of Rates, Tolls and Charges applicable to each of Customer's Schedules of Service under Rate Schedule IT-S.

### **3.3 Aggregate Charge for Service**

Customer shall pay for each Billing Month the sum of the amounts calculated in accordance with paragraphs 3.1 and 3.2.

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#### 4.0 ALLOCATION OF GAS RECEIVED AND DELIVERED

##### 4.1 Allocation of Gas Received

Notwithstanding any other provision of this Rate Schedule, any Service Agreement or the General Terms and Conditions of this Tariff, and without regard to how gas may have been nominated, the aggregate volume of gas received at a Storage Receipt Point for Customer, shall be allocated as follows:

- (i) If paragraph 3.1(i) applies, then the volume of gas received shall be allocated only to Service to Customer under Rate Schedule IT-S; or
- (ii) If paragraph 3.1(ii) applies, then the volume of gas received shall be allocated:
  - (a) first to service to Customer under Rate Schedules LRS and LRS-3 to a maximum of such Customer's LRS Contract Demand for such Receipt Point under such Rate Schedule LRS and to a maximum of such Customer's LRS-3 Contract Demand for such Receipt Point under such Rate Schedule LRS-3;
  - (b) secondly to service to Customer under Rate Schedule FT-R to a maximum of such Customer's Receipt Contract Demand for such Storage Receipt Point under such Rate Schedule FT-R;
  - (c) thirdly to service to Customer under Rate Schedule FT-RN to a maximum of such Customer's Receipt Contract Demand for such Storage Receipt Point under such Rate Schedule FT-RN;
  - (d) fourth to service to Customer under Rate Schedule IT-R at such Storage Receipt Point. If Customer is not entitled to service under Rate Schedule

IT-R at such Storage Receipt Point, then Customer shall pay the IT-R Rate at such Storage Receipt Point in respect of such volume of gas allocated to it hereunder.

#### 4.2 Allocation of Gas Delivered

Notwithstanding any other provision of this Rate Schedule, any Service Agreement or the General Terms and Conditions of this Tariff, and without regard to how gas may have been nominated, the aggregate quantity of gas delivered at a Storage Delivery Point for Customer, shall be allocated as follows:

- (i) If paragraph 3.1(i) applies, then the quantity of gas delivered shall be allocated only to Service to Customer under Rate Schedule IT-S; or
- (ii) If paragraph 3.1(iii) applies, then the quantity of gas delivered shall be allocated:
  - (a) first to service to Customer under Rate Schedule FT-A at such Storage Delivery Point, if Company is satisfied that the quantity of gas delivered by Company at such Storage Delivery Point is not to be removed from Alberta. If Customer is not entitled to service under Rate Schedule FT-A at such Storage Delivery Point, then Customer shall pay the FT-A Rate in respect of such quantity of gas allocated to it hereunder;
  - (b) secondly to service to Customer under Rate Schedule FT-D to a maximum of such Customer's Export Delivery Contract Demand for such Storage Delivery Point under such Rate Schedule FT-D; and
  - (c) thirdly, under all other circumstances other than the ones set out in paragraphs 4.2(ii)(a) and 4.2(ii)(b), to service to Customer under Rate Schedule IT-D at such Storage Delivery Point. If Customer is not entitled

to service under Rate Schedule IT-D at such Storage Delivery Point, regardless of whether of not such Storage Delivery Point is an Export Delivery Point, then Customer shall pay the IT-D Rate in respect of such quantity of gas allocated to it hereunder.

**5.0 STORAGE INFORMATION**

**5.1** Customer undertakes to cause the operator of every gas storage facility connected to the Storage Receipt Point and the Storage Delivery Point to provide to Company, when requested by the Company, the following information:

- (i) the cumulative total of the volume of gas delivered to the Storage Delivery Point for Customer by Company; and
- (ii) the cumulative total of the volume of gas received at the Storage Receipt Point by Company for Customer.

**5.2** If the operator of a gas storage facility fails to provide Company with the information requested with respect to any month within the time provided by Company for a response to Company's request:

- (i) the gas received at the Storage Receipt Point for Customer for such month shall be deemed to have been received for Customer at the Storage Receipt Point under Rate Schedule IT-R and Customer shall pay the IT-R Rate applicable to such Storage Receipt Point in respect of such volume.; and
- (ii) the gas delivered at the Storage Delivery Point for Customer for such month shall be deemed to have been delivered by Customer at the Storage Delivery Point under Rate Schedule IT-D and Customer shall pay the IT-D Rate in respect to

such quantity regardless of whether or not such Storage Delivery Point is an Export Delivery Point.

## **6.0 TERM OF SERVICE**

### **6.1 Term of Service at a Storage Receipt Point and Delivery Point**

The term for any Schedule of Service for Service under Rate Schedule IT-S at each Storage Receipt Point and at each Storage Delivery Point shall be the term requested by Customer, provided that the term is a minimum of one (1) month and terminates on the last day of a Gas Year.

### **6.2 Term of Service Agreement**

Customer's Service Agreement shall terminate on the latest Service Termination Date of Customer's Schedules of Service under Rate Schedule IT-S.

## **7.0 TITLE TRANSFERS**

**7.1** A Customer entitled to receive Service under Rate Schedule IT-S may transfer all or a portion of Customer's Inventory to another Customer or may accept a transfer of all or a portion of Customer's Inventory from another Customer provided such Customer is entitled to receive service under any Rate Schedule that permits title transfers and such title transfer is in accordance with the Terms and Conditions of Service Respecting Title Transfers in Appendix "C" of the Tariff.

**8.0 RENEWAL OF SERVICE**

**8.1 Renewal Notification**

Customer shall be entitled to renew Service under Rate Schedule IT-S if Customer gives notice to Company of such renewal at least one (1) month prior to the Service Termination Date. If Customer does not provide such notice, the Service shall expire on the Service Termination Date.

**8.2 Irrevocable Notice**

Customer's notice to renew pursuant to paragraph 8.1 shall be irrevocable one (1) month 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.

**8.3 Renewal Term**

The renewal term shall consist of increments of whole years and shall not be less than one (1) year.

**9.0 APPLICATION FOR SERVICE**

**9.1** Applications for Service under this Rate Schedule IT-S shall be in such form as Company may prescribe from time to time.

**10.0 GENERAL TERMS AND CONDITIONS**

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

**SERVICE AGREEMENT**  
**RATE SCHEDULE IT-S**

BETWEEN:

NOVA Gas Transmission Ltd., 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 IT-S in accordance with the following procedure:
  - (a) subject to the provisions of this paragraph 3, upon execution and delivery of this Service Agreement Customer shall be entitled to Service from any Storage Receipt Point and Storage Delivery Point described in the Schedule of Service respecting Rate Schedule IT-S, provided however that Customer may not with respect to any Service at any Storage Receipt Point and Storage Delivery Point

described in such Schedule of Service request Company to receive a volume of gas in excess of the capacity of the facilities (as determined by Company) upstream of such Storage Receipt Point or in excess of the capacity of the Facilities (as determined by Company) downstream of such Storage Delivery Point;

- (b) Customer shall by written notice to Company in form and substance satisfactory to Company designate Storage Receipt Points and Storage Delivery Points, referred to in subparagraph 3(a), with respect to which Customer desires Service pursuant to Rate Schedule IT-S;
  - (c) from and after the time of receipt by Company of Customer's written notice referred to in subparagraph 3(b) determined in Company's sole judgment, Customer shall be entitled to receive Service pursuant to Rate Schedule IT-S with respect to the Storage Receipt Points and Storage Delivery Points designated as provided for in subparagraph 3(b) in priority to all Customers requesting such Service after the time, but subject to all Customers requesting such Service prior to the time, of Company's receipt of such written notice; and
  - (d) Customer shall at Company's request from time to time provide written confirmation of the Storage Receipt Points and Storage Delivery Points designated by Customer pursuant to subparagraph 3(b).
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 IT-S.

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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 IT-S including, without limiting the generality of the foregoing, an assurance that all 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 or downstream of any Delivery 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 quantities of gas received or delivered 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. Every notice, request, demand, statement, bid or bill (for the purpose of this paragraph, collectively referred to as "Notice") provided for in Rate Schedule IT-S, 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, 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:

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Attention: •

Fax: •

Company:

- 
- 
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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.

Any Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff shall be given via EBB. Company shall not accept or provide

any such Notice for those matters listed in Appendix "F" via any other alternative means, unless the EBB is inoperative or Customer is unable to establish connection with the EBB, in which case Notice shall be given by any other alternative means set out herein. Any Notice given by the EBB shall be deemed to be given one (1) hour after transmission.

Any Notice may also be given by telephone followed immediately by EBB, fax, personal delivery, courier or prepaid mail, and any Notice so given shall be deemed to have been given as of the date and time of the telephone notice.

- 7. The terms and conditions of Rate Schedule IT-S, the General Terms and Conditions and Schedule of Service under Rate Schedule IT-S 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 •, •.

•  
Per: \_\_\_\_\_

NOVA Gas Transmission Ltd.  
Per : \_\_\_\_\_

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

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

**SCHEDULE OF SERVICE  
RATE SCHEDULE IT-S**

CUSTOMER: •

Schedule of Service Number	Storage Receipt and Delivery Point Number and Name	Storage Receipt and Delivery Point Legal Description	Maximum Delivery Pressure kPa	Service Termination Date	Additional Conditions
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THIS SCHEDULE FORMS PART OF THE SERVICE AGREEMENT DATED • AND SHALL BE DEEMED TO BE ATTACHED THERETO.

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

NOVA Gas Transmission Ltd.  
Per : \_\_\_\_\_

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

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