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NOVA GAS TRANSMISSION LTD.

CODE OF CONDUCT

1 PURPOSE AND OBJECTIVES OF THE CODE

1.1 Purpose of the Code

The purpose of this Code is to establish standards and conditions for interaction between NGTL and its Affiliates.

This Code sets parameters for transactions, information sharing and the sharing of services and resources, while permitting economies of scale and operating efficiencies. These parameters are intended to:

- i) prevent NGTL from cross-subsidizing Affiliate activities;
- ii) protect confidential customer information collected by NGTL in the course of providing NGTL services;
- iii) ensure Affiliates and their customers do not have preferential access to NGTL services; and
- iv) avoid uncompetitive practices between NGTL and its Affiliates, which may be detrimental to the interests of NGTL's customers.

1.2 Objectives of Code

While the overall purpose of the Code is to establish standards and parameters that prohibit inappropriate Affiliate conduct, preferences or advantages, which may adversely impact the customers of regulated businesses, this purpose reflects several important underlying objectives, including:

- i) creating a clearly defined set of rules designed to enhance transparency, fairness and senior management accountability with respect to interactions between NGTL and its Affiliates;
- ii) providing an environment in which inter-affiliate economies and efficiencies can legitimately occur for the mutual advantage of both NGTL's customers and its shareholders;
- iii) developing support and respect for the Code by the employees, officers and directors of the TransCanada group of companies, which will in turn promote ratepayer confidence in the application of the Code; and
- iv) the creation of regulatory processes and cost efficiencies through the consistent application of a clear set of standards and reporting requirements for transactions between NGTL and its Affiliates, enhanced by a practical, resolution driven, dispute process.

1.3 Respect for the Code

Standards and rules alone, however, will always be insufficient to achieve the objectives of this Code. These objectives can only be fully realized through a demonstrated respect for the spirit and intent behind the words by those individuals to whom the Code applies.

1.4 Application

This Code does not replace or modify in any manner, any statutory or regulatory requirements relating to NGTL.

2 General Provisions

2.1 Definitions

In this Code the following words and phrases shall have the following meanings:

- a) **“ABCA”** means the *Business Corporations Act*, R.S.A. 2000, c. B-9.
- b) **“Affiliate”** means with respect to NGTL:
 - i) an “affiliate” as defined in the ABCA;
 - ii) a unit or division within NGTL or any Body Corporate referred to in clause (b)(i) above;
 - iii) a partnership, joint venture, or Person in which NGTL or any Body Corporate referred to in clause (b)(i) above has a controlling interest or that is otherwise subject to the control of NGTL or such Body Corporate, or that has or reasonably expects to have a commercial or operational arrangement with NGTL and NGTL or any Body Corporate referred to in clause (b)(i) above owns more than 10% of the votes necessary to elect directors;
 - iv) any partnership, joint venture, or Person deemed by the EUB to be an affiliate of NGTL for the purposes of this Code; and
 - v) an agent or other Person acting on behalf of any Body Corporate, unit, division, partnership, joint venture or Person referred to in clauses (b)(i) to (iv) above.
- c) **“Affiliated Party Transactions Summary”** unless otherwise directed by the EUB, means in respect of any period of time, a summary overview of each type of business transaction or service, other than **Major Transactions** or **Utility Services**, performed by an Affiliate for NGTL or by NGTL for an Affiliate, which summary shall contain a general description of the transactions and services, the parties involved and the approximate aggregate value of each type of transaction or service during the said period
- d) **“Body Corporate”** means a “body corporate” as defined in the ABCA.
- e) **“Code”** means this NGTL Code of Conduct.
- f) **“Compliance Officer”** shall have the meaning ascribed thereto in section 7.3 hereof.

- g) **“Compliance Plan”** shall mean the document to be prepared and updated by NGTL pursuant to section 7.5 hereof.
- h) **“Compliance Report”** shall have the meaning ascribed thereto in section 7.6 hereof.
- i) **“Confidential Information”** means any information relating to a specific customer or potential customer of NGTL, which information NGTL has obtained or compiled in the process of providing current or prospective NGTL Services and which is not otherwise available to the public.
- j) **“Cost Recovery Basis”** with respect to:
 - i) the use by NGTL of an Affiliate’s personnel, means the fully burdened costs of such personnel for the time period they are used by NGTL, including salary, benefits, vacation, materials, disbursements and all applicable overheads;
 - ii) the use by NGTL of an Affiliate’s equipment, means an allocated share of capital and operating costs appropriate for the time period the equipment is utilized by NGTL;
 - iii) the use by an Affiliate of NGTL’s equipment, means an allocated share of the capital and operating costs appropriate for the time period the equipment is utilized by the Affiliate;
 - iv) the use by NGTL of an Affiliate’s services, means the complete costs of providing the services, determined in a manner acceptable to NGTL, acting prudently;
 - v) the use by an Affiliate of NGTL’s services, means the complete costs of providing the services, determined in a manner acceptable to NGTL, acting prudently; and
 - vi) the transfer of equipment, plant inventory, spare parts or similar assets between NGTL and a Regulated Affiliate, means the net book value of the transferred assets.
- k) **“EUB”** means the Alberta Energy and Utilities Board.
- l) **“Fair Market Value”** means the price reached in an open and unrestricted market between informed and prudent parties, acting at arms length and under no compulsion to act.
- m) **“For Profit Affiliate Service”** means any service, provided by NGTL to an Affiliate, or by an Affiliate to NGTL on a for-profit basis.
- n) **“Information Services”** means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by NGTL relating to NGTL customers or NGTL operations.
- o) **“Major Transactions”** means a transaction or series of related transactions within a calendar year between NGTL and an Affiliate relating to the sale or purchase of an asset(s) or to the provision of a service or a similar group of services, other than [Utility Services](#), which has an aggregate value within that calendar year of \$500,000 or more.
- p) **“NGTL”** means NOVA Gas Transmission Ltd.

- q) **“NGTL Service”** means a service, the terms and conditions of which are regulated by the EUB.
- r) **“Non-Executive Officer”** means an officer of NGTL who is not also a senior officer of TransCanada Corporation with an executive officer title.
- s) **“Non-Regulated Affiliate”** means an Affiliate that is not a Regulated Affiliate.
- t) **“Occasional Services”** shall have the meaning ascribed thereto in section 3.3.6 hereof.
- u) **“Person”** means a “person” as defined in the ABCA.
- v) **“Regulated Affiliate”** means an Affiliate whose tolls and tariffs are regulated by the EUB, the National Energy Board or the Federal Energy Regulatory Commission.
- w) **“Services Agreement”** means an agreement entered into between NGTL and one or more Affiliates for the provision of Shared Services or For Profit Affiliate Services and shall provide for the following matters as appropriate in the circumstances:
 - i) the type, quantity and quality of service;
 - ii) pricing, allocation or cost recovery provisions;
 - iii) confidentiality arrangements;
 - iv) the apportionment of risk;
 - v) dispute resolution provisions; and
 - vi) a representation by NGTL and each Affiliate party to the agreement that the agreement complies with the Code.
- x) **“Shared Service”** means any service provided on a Cost Recovery Basis by NGTL to an Affiliate or by an Affiliate to NGTL.
- y) **“Subsidiary”** shall have the meaning ascribed thereto in section 2(4) of the ABCA.
- z) **“Utility Service”** means a service, the terms and conditions of which are regulated by the EUB, and includes services for which an individual rate, joint rate, toll, fare, charge or schedule of them, have been approved by the EUB.

2.2 Interpretation

Headings are for convenience only and shall not affect the interpretation of this Code. Words importing the singular include the plural and vice versa. A reference to a statute, document or a provision of a document includes an amendment or supplement to, or a replacement of, that statute, document or that provision of that document.

2.3 To Whom this Code Applies

NGTL is obligated to comply with this Code and all Affiliates of NGTL are obligated to comply with the Code to the extent they interact with NGTL.

2.4 Coming into Force

This Code comes into force 90 days after approval by the Board, provided however that, to the extent existing agreements or arrangements are in place between parties to whom this Code applies that do not conform with this Code, such agreements or arrangements must be brought into compliance with this Code within 60 days after this Code comes into force.

2.5 Amendments to this Code

This Code may be reviewed and amended from time to time by the EUB on its own initiative, or pursuant to a request by any party to whom this Code applies or by any interested party.

2.6 Exemptions

NGTL may apply to the EUB for an exemption with respect to compliance with any provision of this Code. Any such application will specify if the requested exemption is in respect of a particular transaction, series of transactions, for a specified period of time, or is for a general exemption from a particular provision.

2.7 Authority of the EUB

This Code does not detract from, reduce or modify in any way, the powers of the EUB to deny, vary, approve with conditions, or overturn, the terms of any transaction or arrangement between NGTL and one or more Affiliates that may be done in compliance with this Code. Compliance with the Code does not eliminate the requirement for specific EUB approvals or filings where required by statute, regulation, or by EUB decisions, orders or directions.

3 GOVERNANCE AND SEPARATION OF NGTL BUSINESS

3.1 Governance

3.1.1 Separate Operations

The commercial business and affairs of NGTL should be managed and conducted separately from the commercial business and affairs of its Non-Regulated Affiliates, except as required to fulfill corporate governance, policy, and strategic direction responsibilities of a corporate group of businesses as a whole.

3.1.2 Common Directors

NGTL may have common directors with its Affiliates.

3.1.3 Separate Management

Subject to section 3.1.4 hereof, NGTL must have a separate management team and separate officers from its Non-Regulated Affiliates, but may share management team members or officers with other Regulated Affiliates.

3.1.4 Separate Management Exception

Officers of NGTL may also be officers of any Affiliate, as may be required to perform corporate governance, policy and strategic direction responsibilities of an affiliated group of businesses.

However, this exception shall not allow a Non-Executive Officer in a commercial or operational role to be an officer of a Non-Regulated Affiliate that has or reasonably expects to have commercial or operational arrangements with NGTL.

3.1.5 Guiding Principle

Notwithstanding sections 3.1.2, 3.1.3 and 3.1.4 hereof, an individual shall not act both as a director, officer or member of a management team of NGTL and as a director, officer or member of a management team of any other Affiliate (thereby acting in a dual capacity) unless the individual is able to carry out his/her responsibilities in a manner that preserves the form, and the spirit and intent, of this Code. In particular, an individual:

- (a) shall not agree to act in a dual capacity if it could reasonably be considered to be detrimental to the interests of customers of NGTL, and
- (b) if acting in a dual capacity, shall abstain from engaging in any activity that could reasonably be considered to be detrimental to the interests of customers of NGTL

3.2 Degree of Separation

3.2.1 Accounting Separation

NGTL shall ensure accounting separation from all Affiliates and shall maintain separate financial records and books of accounts.

3.2.2 Separation of Information Services

Where NGTL shares [Information Services](#) with a Non-Regulated Affiliate, all [Confidential Information](#) must be protected from unauthorized access by the Non-Regulated Affiliate. Access to NGTL's Information Services shall include appropriate computer data management and data access protocols as well as contractual provisions regarding the breach of any access protocols. Compliance with the access protocols shall be periodically confirmed by NGTL, through a review that complies with the provisions of the Canadian Institute of Chartered Accountants Handbook and updates thereto.

3.2.3 Financial Transactions with Affiliates

NGTL shall ensure that any loan, investment, or other financial support provided to a Non-Regulated Affiliate is provided on terms no more favorable than what that Non-Regulated Affiliate would be able to obtain as a stand-alone entity from the capital markets.

3.2.4 Physical Separation

NGTL shall put appropriate measures in place to restrict physical access of representatives with commercial responsibilities for Non-Regulated Affiliates to Confidential Information.

3.3 Resource Sharing

3.3.1 Sharing of Assets

The operational plant, assets and equipment of NGTL shall be separated in ownership from the operational plant, assets and equipment of other Non-Regulated Affiliates.

3.3.2 Shared Services Permitted

Where NGTL determines it is prudent in operating NGTL's business to do so, it may obtain Shared Services from, or provide Shared Services to, an Affiliate. NGTL shall periodically review the prudence of continuing Shared Services arrangements with a view to making any necessary adjustments to ensure that each of NGTL and its Affiliates bears its proportionate share of costs.

3.3.3 Services Agreement

NGTL shall enter into a Services Agreement with respect to any Shared Services it provides to, or acquires from, an Affiliate.

3.3.4 Sharing of Employees

3.3.4.1 NGTL and its Affiliates

Subject to section 3.3.4.2 hereof, NGTL may share representatives with an Affiliate on a Cost Recovery Basis, provided that the representatives to be shared are able to carry out their responsibilities in a manner that preserves the form, spirit and intent of this Code. In particular, a representative:

- (a) shall not be shared if it could reasonably be considered detrimental to the interests of NGTL's customers, and
- (b) if being shared, shall abstain from engaging in any activity that could reasonably be considered detrimental to the interests of NGTL's customers.

3.3.4.2 Employees That May Not Be Shared

NGTL may not share representatives with a Non-Regulated Affiliate that:

- (a) routinely participate in making decisions with respect to the provision of NGTL Services or how NGTL Services are delivered;
- (b) routinely deal with or have direct contact with customers of NGTL; and
- (c) are routinely involved in commercial management of the business of NGTL.

3.3.5 Transferring of Representatives

NGTL may transfer representatives to or from an Affiliate, provided any representative transferred by NGTL who had access to [Confidential Information](#) shall execute a confidentiality agreement with respect to such Confidential Information prior to the transfer.

3.3.6 Occasional Services Permitted

Where NGTL has otherwise acted prudently, it may receive, or provide, one-off, infrequent or occasional services ("Occasional Services") to, or from, an Affiliate on a Cost Recovery Basis, documented by way of work order, purchase order or similar instrument. In the event that occasional services become material as to value, frequency or use of resources, NGTL shall enter into a Services Agreement with the Affiliate for Shared Services.

3.3.7 Emergency Services Permitted

In the event of an emergency, NGTL may share services and resources with an Affiliate without a Services Agreement on a Cost Recovery Basis.

4 TRANSFER PRICING

4.1 For Profit Affiliate Services

Where NGTL determines it is prudent in operating its business to do so, it may obtain For Profit Affiliate Services from an Affiliate or provide For Profit Affiliate Services to an Affiliate.

If NGTL intends to outsource to an Affiliate a service it presently provides for itself, NGTL shall, in addition to any other analysis it may require to demonstrate the prudence of a For Profit Affiliate Services arrangement, undertake a net present value analysis appropriate to the life cycle or operating cycle of the services involved.

NGTL shall periodically review the prudence of continuing For Profit Affiliate Services arrangements.

4.2 Pricing For Profit Affiliate Services

4.2.1 NGTL Acquires For Profit Affiliate Service

When NGTL acquires For Profit Affiliate Services it shall pay no more than the Fair Market Value of such services. The onus is on NGTL to demonstrate that the For Profit Affiliate Services have been acquired at a price that is no more than the Fair Market Value of such services.

4.2.2 NGTL Provides For Profit Affiliate Service

When NGTL provides For Profit Affiliate Services, it shall not charge less than the Fair Market Value of such services. The onus is on NGTL to demonstrate that the For Profit Affiliate Services have been charged at a price that is not less than the Fair Market Value of such services.

4.3 Services Agreement

NGTL shall enter into a Services Agreement with respect to any For Profit Affiliate Services it acquires or provides.

4.4 Asset Transfers

Assets transferred, mortgaged, leased or otherwise disposed of by NGTL to a Non-Regulated Affiliate shall be at Fair Market Value.

4.5 Determination of Fair Market Value

In demonstrating that Fair Market Value was paid or received pursuant to a For Profit Affiliate Service arrangement or a transaction contemplated by sections 4.1, 4.2 and 4.4 hereof, NGTL, subject to any prior or contrary direction by the EUB, may utilize any method to determine Fair Market Value that it believes appropriate in the circumstances. These methods may include, without limitation: competitive tendering, competitive quotes, bench-marking studies, catalogue

pricing, replacement cost comparisons or recent market transactions. NGTL shall bear the onus of demonstrating that the methodology or methodologies utilized in determining the Fair Market Value of the subject goods or services was appropriate in the circumstances.

4.6 Asset Transfers Between NGTL and Regulated Affiliates

Where operational efficiencies between NGTL and Regulated Affiliates can be obtained through the use of common facilities (such as shared warehousing or field offices), combined purchasing power or through the use of other cost saving procedures, individual assets or groups of assets used in NGTL's and Regulated Affiliates' operations (such as equipment, plant inventory, spare parts or similar assets) may be transferred in the ordinary course of business between NGTL and Regulated Affiliates at net book value or other reasonable standard acceptable to the Board. All such transactions shall be properly accounted for on the books of NGTL.

5 EQUAL TREATMENT WITH RESPECT TO NGTL SERVICES

5.1 Impartial Application of Tariff

NGTL shall apply and enforce all tariff provisions relating to NGTL Services impartially, in the same timeframe, and without preference in relation to its Affiliates and all other customers or prospective customers.

5.2 Equal Access

NGTL shall not favor any Affiliate with respect to access to information concerning NGTL Services or with respect to the obtaining of, or the scheduling of, NGTL Services. Requests by an Affiliate or an Affiliate's customers for access to NGTL Services shall be processed and provided in the same manner as would be processed or provided for other customers or prospective customers of NGTL.

5.3 No Undue Influence

NGTL shall not condition or otherwise tie the receipt of NGTL Services to a requirement that a customer must also deal with an Affiliate. NGTL shall ensure that its representatives do not, explicitly or by implication, suggest that an advantage will accrue to a customer in dealing with NGTL if the customer also deals with an Affiliate of NGTL.

5.4 Affiliate Activities

NGTL shall take reasonable steps to ensure that an Affiliate does not imply in its marketing material or otherwise, favored treatment or preferential access to NGTL Services. If NGTL becomes aware of any such inappropriate activity by an Affiliate, it shall:

- (a) immediately take reasonable steps to notify affected customers of the violation;
- (b) take necessary steps to ensure the Affiliate is aware of the concern; and
- (c) inform the EUB in writing of such activity and the remedial measures that were undertaken by NGTL.

5.5 Access to Shared and Occasional Services

NGTL is not required to provide non-Affiliated parties with equal access to Shared Services or Occasional Services.

6 CONFIDENTIALITY OF INFORMATION

6.1 NGTL Information

Subject to section 6.2 hereof, NGTL shall not provide Non-Regulated Affiliates with information relating to the planning, operations, finances or strategy of NGTL before such information is publicly available.

6.2 Management Exception

Officers of NGTL who are also officers of an Affiliate as permitted pursuant to section 3.1.4 hereof may disclose, subject to the provisions of section 3.1.5 hereof, NGTL planning, operational, financial and strategic information to the Affiliate to fulfill their responsibilities with respect to corporate governance, policy and strategic direction of an affiliated group of businesses, but only to the extent necessary and not for any other purpose.

6.3 No Release of Confidential Information

Subject to section 6.5, NGTL shall not release to an Affiliate Confidential Information relating to a customer or prospective customer, without receiving the prior written consent of the customer or prospective customer, unless such Confidential Information may be disclosed to an Affiliate in connection with a disclosure required:

- (a) for the purpose of a court proceeding or a proceeding before a quasi-judicial body to which the customer is a party;
- (b) for the purpose of complying with a subpoena, warrant, or order issued or made by a court, person or body having jurisdiction to compel the production of information or with a rule of court that relates to the production of information;
- (c) to a municipal or provincial police service for the purpose of investigating an offence involving the customer, if the disclosure is not contrary to the express request of the customer;
- (d) by law or by an order of a government or agency having jurisdiction over NGTL; or
- (e) for the purpose of providing Shared Services or For Profit Affiliate Services to the Affiliate or for the purpose of receiving Shared Services or For Profit Affiliate Services from the Affiliate; provided appropriate measures are first put in place by the Affiliate to protect the Confidential Information and the Confidential Information is used by the Affiliate only for the purpose intended by NGTL.

6.4 Aggregated Confidential Information

NGTL may disclose Confidential Information when aggregated with the Confidential Information of other customers in such a manner that an individual customer's Confidential Information can not be identified.

6.5 Release of Confidential Information to Regulated Affiliates

NGTL may release Confidential Information on an as-needed basis, to a Regulated Affiliate that is operated by the same entity that operates NGTL, or is operated by any Affiliate of NGTL, provided that the Regulated Affiliate does not release the Confidential Information to any other entity without receiving the prior written consent of the customer.

7 COMPLIANCE MEASURES

7.1 Responsibility for Compliance

NGTL shall be responsible for ensuring compliance with this Code.

7.2 Communication of Code

NGTL shall:

- (a) communicate the contents of the Code, and any modifications to it from time to time, to each of its directors, officers, representatives, consultants, contractors, agents and Affiliates; and
- (b) make the Code available on NGTL's web site.

7.3 Compliance Officer

NGTL shall appoint a compliance officer (the "Compliance Officer"). NGTL shall ensure that the Compliance Officer is an officer of NGTL and has adequate resources to fulfill his or her responsibilities.

7.4 Responsibilities of the Compliance Officer

The responsibilities of the Compliance Officer shall include:

- (a) providing advice and information to NGTL for the purpose of ensuring compliance with this Code;
- (b) monitoring and documenting compliance with the Code by NGTL, its directors, officers, representatives, consultants, contractors and agents;
- (c) monitoring and documenting compliance with the Code by Affiliates of NGTL with respect to the interactions of the Affiliates with NGTL;
- (d) providing for the preparation and updating, of a Compliance Plan for NGTL pursuant to Section 7.5 hereof;
- (e) filing the Compliance Plan and any modifications or replacements with the EUB, posting the Compliance Plan on the NGTL's website, and advising interested parties promptly when the Compliance Plan, or any modifications or replacements, have been posted on the website;
- (f) performing an annual review of compliance with the Compliance Plan and preparing an annual compliance report ("Compliance Report") containing the information required in section 7.6 hereof. The Compliance Officer shall file the Compliance Report with the EUB within 120 days of the fiscal year end of NGTL with respect to the immediately

preceding fiscal year, post the Compliance Report on NGTL's website, and advise interested parties promptly when the Compliance Report has been posted on the website;

- (g) receiving and investigating internal and external disputes, complaints and inquiries with respect to the application of, and alleged non-compliance, with the Code in accordance with Section 8 hereof;
- (h) recommending to NGTL measures required to address events of non-compliance with the Code; and
- (i) maintaining adequate records with respect to all aspects of the Compliance Officer's responsibility.

7.5 The Compliance Plan

NGTL shall prepare a Compliance Plan. The Compliance Plan shall detail the measures, policies, procedures and monitoring mechanisms that NGTL will employ to ensure its full compliance with the provisions of the Code by NGTL its directors, officers, representatives, consultants, contractors and agents, and by Affiliates of NGTL with respect to the interactions of the Affiliates with NGTL. NGTL shall review and update the Compliance Plan at least annually.

7.6 The Compliance Report

The Compliance Report shall include the following information prepared in respect to the period of time covered by the Compliance Report:

- (a) a copy of the Compliance Plan and any amendments thereto;
- (b) a corporate organization chart for NGTL and its Affiliates indicating relationships and ownership percentages;
- (c) a list of all Affiliates with whom NGTL transacted business, including business addresses, a list of the Affiliates' officers and directors, and a description of the Affiliates' business activities;
- (d) a list of all Services Agreements in effect at any time during such period;
- (e) an overall assessment of compliance with the Code by NGTL, including compliance by the directors, officers, representatives, consultants, contractors and agents of NGTL and by Affiliates of NGTL with respect to the interactions of the Affiliates with NGTL;
- (f) an assessment of the effectiveness of the Compliance Plan and any recommendations for modifications thereto;
- (g) in the event of any material non-compliance with the Code, a comprehensive description thereof and an explanation of all steps taken to correct such non-compliance;
- (h) subject to the confidentiality provisions of section 8.1 hereof, a summary of disputes, complaints and inquiry activity during the year;
- (i) an Affiliated Party Transactions Summary;
- (j) a summary list of any exemptions granted to this Code or exceptions utilized, including the exception for emergency services; and
- (k) two certificates, each in the form attached as Schedule "A" attached to this Code, attesting to completeness of the Compliance Report and compliance with the Code, one

certificate signed by the Compliance Officer and a second certificate signed by the highest ranking operating officer of NGTL.

7.7 Documents to be Provided to the EUB upon Request

If required by the EUB, NGTL shall provide the EUB with a copy of any document referred to in a Compliance Report or other supporting records and material.

7.8 Compliance Records and Audit

The records required to be maintained by the Compliance Officer pursuant to section 7.4(i) hereof shall be retained for a period of at least six years. Compliance records shall be maintained in a manner sufficient to support a third party audit of the state of compliance with the Code by NGTL, its directors, officers, representatives, consultants, contractors and agents, and by Affiliates of NGTL with respect to the interactions of the Affiliates with NGTL. Subject to the confidentiality provisions of section 8.1 hereof, all such records shall be made available for inspection or audit as may be required by the EUB from time to time.

8 DISPUTES, COMPLAINTS AND INQUIRIES

8.1 Filing with the Compliance Officer

Disputes, complaints or inquiries from within NGTL or from external parties respecting the application of, or alleged non-compliance with, the Code shall be submitted in writing to the Compliance Officer and may be made confidentially. The identity of the party making the submission to the Compliance Officer shall be kept confidential by the Compliance Officer unless the party otherwise agrees.

8.2 Processing by NGTL

8.2.1 Compliance Officer Acknowledgment

The Compliance Officer shall acknowledge all disputes, complaints or inquiries in writing within five working days of receipt.

8.2.2 Disposition

The Compliance Officer shall respond to the dispute, complaint or inquiry within 21 working days of its receipt. The response shall include a description of the dispute, complaint or inquiry and the initial response of NGTL to the issues identified in the submission. NGTL's final disposition of the dispute, complaint or inquiry shall be completed as expeditiously as possible in the circumstances, and in any event within 60 days of receipt of the dispute, complaint or inquiry, except where the party making the submission otherwise agrees.

8.3 Referral to the EUB

In the event:

- (a) NGTL fails to abide by the process identified in section 8.2 hereof,
- (b) NGTL or a party is unsatisfied with the resolution of a dispute, complaint or inquiry following the conclusion of the section 8.2 process, or

- (c) of an urgent and significant matter, where there is a reasonable expectation that a party's position may be prejudiced by allowing the process contemplated by section 8.2 to operate,

NGTL (subject to the confidentiality provisions of section 8.1 hereof) or a party with a dispute, complaint or inquiry may refer the matter to the EUB for consideration. A referral to the EUB must be in writing and shall describe the dispute, complaint, or inquiry and must include the response, if any, of NGTL to the submission.

9 NON-COMPLIANCE WITH THE CODE

9.1 Non-Compliance

Any non-compliance with the Code by any director, officer, representative, consultant, contractor or agent of NGTL or by an Affiliate (or any director, officer, representative, consultant, contractor or agent of an Affiliate) with respect to the interactions of the Affiliate with NGTL will be considered to be non-compliance by NGTL.

9.2 Consequences for Non-Compliance with Code

Non-compliance with this Code could be considered as *prima facie* evidence in a regulatory proceeding of inappropriate conduct by NGTL or of an inappropriate transaction, expense or activity by NGTL. Non-compliance with the Code by NGTL shall subject NGTL to the full range of powers and authorities of the EUB. Non-compliance with the Code by a director, officer, representative, consultant, contractor or agent of NGTL may subject such individual to disciplinary action by NGTL.

SCHEDULE A – OFFICERS CERTIFICATE

OFFICER’S CERTIFICATE

To: The Alberta Energy and Utilities Board

I, _____ of the City of _____, in the Province of Alberta, acting in my position as an officer of _____ (NGTL) and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with NGTL is _____, and as such I have personal knowledge of, or have conducted due inquiry of individuals who have personal knowledge of, the facts and matters herein stated.
2. Capitalized terms used herein (which are not otherwise defined herein) shall have the meanings ascribed thereto in the NGTL Group Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of NGTL dated _____ and the Compliance Report of NGTL dated _____.
4. The form and contents of the Compliance Report comply with the requirements of the Code and the matters reported therein are fully and accurately described.
5. I am not aware of any material non-compliance with the provisions of the Code by any director, officer, employee, consultant, contractor or agent of NGTL, or by any Affiliate of NGTL (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to the any interaction between an Affiliate and NGTL that is not fully and accurately described in the Compliance Report.

Name: _____

Title: _____

Date: _____