

## CANADIAN MAINLINE NON-RENEWED EXISTING CAPACITY OPEN SEASON May 7 – 14, 2008

TransCanada's Canadian Mainline is currently posting this Open Season (the "Open Season") to make available the capacity that was non-renewed for November 1, 2008. Service on these paths will commence on or after November 1, 2008.

Bids for the Non-Renewed capacity in Table 1 will be accepted on the listed paths.

**Table 1: Available Capacity**

Posted System Segments for FT, FT-SN <sup>(1)</sup> , STS, STS-L	Capacity Starting November 1, 2008 (GJ/d)
<b>Empress to (Domestic)</b>	
South Saskatchewan Delivery Area (SSDA)	995,112
Manitoba Delivery Area (MDA)	995,112
Western Delivery Area (WDA)	150,963
Northern Delivery Area (NDA)	147,572
North Bay Junction	127,590
Central Delivery Area (CDA)	59,427
Eastern Delivery Area (EDA) <sup>(2)</sup>	68,663
Cornwall	21,355
Sault Ste Marie Delivery Area (SSMDA)	12,337
Southwest Delivery Area (SWDA)	345,619
<b>Empress to (Export)</b>	
Emerson	261,993
Kirkwall	156,783
Niagara	79,726
Chippawa	77,057
Iroquois	33,683
<b>Shorthaul Transportation</b>	
North Bay Junction to Central Delivery Area (CDA)	59,427
North Bay Junction to Eastern Delivery Area (EDA)	68,663
North Bay Junction to Iroquois	33,683
North Bay Junction to Southwest Delivery Area (SWDA)	345,619
North Bay Junction to Kirkwall	156,783
North Bay Junction to Niagara	79,726
North Bay Junction to Chippawa	77,057
St. Clair to Union SWDA	26,343
Parkway to Philipsburg	500

<sup>(1)</sup>FT-SN may not be available on all paths. Please contact your Mainline Sales & Marketing Representative if you are interested in bidding on this service.

<sup>(2)</sup>GMI EDA Capacity is not available at this time.

### OPEN SEASON & BIDDING PROCEDURE HIGHLIGHTS

- Bids must be received by TransCanada no later than 3:00 p.m. Calgary time on May 14, 2008.

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- Term
  - Minimum one (1) year term. Bids with a term greater than one (1) year shall be in full month increments.
- System Segment Capacity
  - **TransCanada may accept bids (for evaluation and allocation) for capacity within the path of the posted system segments, provided however TransCanada will not accept any bids requesting Welwyn as a receipt and/or delivery point within this open season or any combination of open seasons, unless TransCanada determines in its sole discretion that the request is for a physical receipt of gas at Welwyn. Also no shorthaul will be available at this time from the Dawn Area or Parkway except for paths listed in Table 1. This includes receipt points such as SS. Marie, St. Clair, Dawn, Kirkwall, Niagara, Chippawa and Parkway.**
  - Some posted segments share common capacity. A successful bid on one system segment may reduce the capacity on another system segment. Any bids that pertain to common capacity will be evaluated together for allocation purposes.
  - Each capacity segment requested must be on an individual bid form
- Toll: all posted capacity is at the approved [Mainline NEB Toll](#)
- Conditional Bidding: Mainline capacity bids can be conditioned on another Mainline capacity bid
- Min Acceptable Quantity: May be specified by bidder in the event that prorating capacity is necessary
- Please refer to the [TAPs](#): Transportation Access Procedures for more information

### **HOW TO BID**

- Service applicants must submit (fax) a completed [FT Existing Capacity bid form](#) to TransCanada's Mainline Contracting Department at (403) 920-2343.
- Bids under this Open Season must be received by 3:00 p.m. Calgary time on May 14, 2008.
- All bids received will be evaluated together for allocation purposes and notification and a contract will be provided within two (2) banking days to successful Service Applicants. Service Applicants will then have 10 banking days to execute and return the signed contract to TransCanada.

### **OPEN SEASON DEPOSIT INFORMATION & PROCEDURE:**

Successful bidders who currently hold a contract with TransCanada are not required to provide a deposit with each bid, although failure to comply with awarded capacity will result in a penalty charged by TransCanada to the account. Successful bidders who do not currently hold a contract with TransCanada shall be required to provide a deposit, within two (2) banking days of the close of the Open Season, with each bid provided to TransCanada, equal to lesser of:

- One (1) month demand charges for the maximum capacity set out on the Bid Form, calculated based on the tolls in place when the Bid Form was submitted; or
- \$10,000 (Cdn).

The deposit can be provided by either wire transfer or cheque. Please contact your Mainline Sales Representative to obtain the TransCanada Bank Account information for wire transfers or to obtain the address for mailing cheques.

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**QUESTIONS**

If you have any questions about this Non-Renewed Existing Capacity Open Season or any other, please contact your Mainline Sales & Marketing representative.

**Calgary**

Wendy Simpson (403) 920-5368  
Sean Meilleur (403) 920-5825

**Toronto**

Don Bell (416) 869-2191  
Amelia Cheung (416) 869-2115  
Lisa DeAbreu (416) 869-2171  
Tim Stringer (416) 869-2177

**Completed bids must be faxed by 3:00 p.m. Calgary time on May 14, 2008 to:**

**Mainline Contracting @ (403) 920-2343**

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**APPENDIX**

**LINKS to Additional Information:**

- [Existing Capacity Open Season Bid Form](#)
- [Mainline Tariffs](#): Toll Schedules & Pro Forma Contracts
- [TAPs](#): Transportation Access Procedure
- [Amended April 2008 Interim Mainline Tolls](#) – April 1, 2008
- [Index of Customers](#) showing recent contracts and renewals
- Other TransCanada Information: [www.transcanada.com/Customer\\_Express](http://www.transcanada.com/Customer_Express)

**GST Procedures for FT, FT-SN, STS, STS-L – FOR EXPORT POINTS ONLY**

Pursuant to the Excise Tax Act, Canadian natural gas transporters are required to invoice the Goods and Services Tax (GST) on all services. GST on transportation charges for gas that is consumed in Canada is set at 5%. GST on transportation charges for gas that is consumed in the United States may qualify for zero-rating (0% GST).

For gas that is transported to export points for consumption in the United States, shippers may zero-rate GST on the associated transportation demand, commodity and pressure charges by making a [Declaration on the nomination](#) line in NrG Highway.

Shippers may also zero-rate GST on Unutilized Demand Charges (UDC) under firm contracts that have an export point as the primary delivery point in the contract. Note that UDC may only be zero-rated if the firm contract is intended for transportation of gas to, and consumption of gas in, the United States. UDC zero-rating for eligible firm contracts can be obtained by providing TransCanada with an executed [Contract Declaration](#). A *proforma* Contract Declaration Form is available at the following link:

[FT GST Declaration](#)

Some key points to note regarding Contract Declarations to zero-rate GST on UDC under firm export Contracts:

- Contract Declarations may only take effect on the first day of a month.
- A Contract Declaration cannot be applied retroactively.
- A single Contract Declaration form is used for all of a shipper's firm export contracts eligible for zero-rating of UDC.

Please keep in mind that, even if 5% GST is applied on your transportation invoice, businesses will typically be eligible for rebates of GST from the Canadian Revenue Agency (CRA). Please refer to the following website for additional information on GST regulations and rebates:

<http://www.cra-arc.gc.ca/tax/business/topics/gst/corporation/menu-e.html>

For more information on TransCanada's GST practices, please contact Vincent Thebault at 403-920-5840 or [vincent\\_thebault@transcanada.com](mailto:vincent_thebault@transcanada.com).