

TRANSPORTATION ACCESS PROCEDURE

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1. DEFINITIONS

- 1.1 For the purposes of the Transportation Access Procedures the following terms shall be defined as follows:
- (a) “Accepted Bid” shall be as defined in sub-section 5.4(c);
 - (b) “Bid Form” shall mean the Existing or New Capacity Bid Form set out in “Appendix A”;
 - (c) “Daily Existing Capacity” shall mean all or a portion of the amount of Existing Capacity not allocated pursuant to sub-section 4.4 that is made available for the Daily Existing Capacity Open Season pursuant to sub-section 4.6;
 - (d) “Daily Existing Capacity Open Season” shall be as defined in sub-section 4.6(a);
 - (e) “Daily Existing Capacity Open Season Bid Form” shall mean the Daily Existing Capacity Open Season Bid Form as set out in “Appendix B”;
 - (f) “Date of Commencement” for service shall be as defined in the FT, FT-NR, FT-SN, SNB, STS, or STS-L Contracts as the case may be;
 - (g) “Deposit” shall mean the deposit referred to in sub-section 4.2(f) or 5.2(d) as the case may be;
 - (h) “Existing Capacity Open Season” shall be defined as in sub-section 4.2(a);
 - (i) “Existing Capacity” shall mean all or a portion of System Capacity that is available on System Segments that TransCanada determines in its sole discretion to be available for an Open Season;
 - (j) “Existing Service Applicant” shall mean a Shipper or another party that submits either a Bid Form or a Daily Existing Capacity Open Season Bid Form and at the time of submission of such Bid Form is receiving gas transportation service pursuant to a Transportation Service Contract from TransCanada;
 - (k) “Facilities Application” shall mean an application pursuant to Part III of the National Energy Board Act for authorization to construct facilities or otherwise obtain New Capacity;
 - (l) “Financial Assurances Agreement” shall mean the agreement which sets forth the financial assurances which the Successful Bidder will be required to provide to TransCanada prior to TransCanada’s execution of the Transportation Contract for service;
 - (m) “Minimum Term” shall mean the minimum term of service required by TransCanada;
 - (n) “New Capacity” shall be as defined in sub-section 5.1(a);
 - (o) “New Capacity Open Season” shall be as defined in sub-section 5.1(a);

- (p) "New Service Applicant" shall mean a party that submits either a Bid Form or a Daily Existing Capacity Open Season Bid Form and at the time of submission of such Bid Form is not receiving gas transportation service pursuant to a Transportation Service Contract from TransCanada;
- (q) "New Service Start Date" shall mean the date the New Capacity may be first offered for service;
- (r) "Notice" shall mean the notice posted on TransCanada's electronic bulletin board, or provided by fax or email;
- (s) "Precedent Agreement" shall be as defined in sub-section 5.4(c) (i);
- (t) "Rejected Offer" shall be defined as in sub-section 5.5(a);
- (u) "Return Period" shall be as defined in sub-section 5.4(c);
- (v) "Service Applicant" shall mean either a New Service Applicant or an Existing Service Applicant;
- (w) "Service Applicant's Acceptance" shall be as defined sub-section 5.4(c);
- (x) "Successful Bidder" shall mean a Service Applicant who has been allocated any New Capacity;
- (y) "System Capacity" shall mean TransCanada's pipeline facilities and TransCanada's contractual entitlement on the pipeline systems of the Great Lakes Gas Transmission Limited Partnership, Union Gas Limited and Trans Quebec and Maritimes Pipeline Inc. that TransCanada relies on to provide firm service;
- (z) "System Segment" shall mean the segment of the System Capacity, referred to in a Notice, which is defined by reference to the receipt point and the export delivery point or delivery area specified;
- (aa) "TAPs" shall mean this Transportation Access Procedure;
- (ab) "TransCanada's Offer" shall be as defined in sub-section 5.4(c) (i); and
- (ac) "Transportation Contract" shall mean the pro-forma transportation service contract for the Existing Capacity or New Capacity allocated to the Service Applicant, or in the case of SNB a pro-forma SNB service contract.

2. PURPOSE

- 2.1 The purpose of the TAPs is to set forth the process by which TransCanada shall administer requests for service to ensure fair and equitable treatment to all Service Applicants seeking FT, FT-NR, FT-SN, SNB, STS-L and STS service with TransCanada for the transportation of natural gas utilizing TransCanada's System Capacity.

3. APPLICABILITY

3.1 TAPs is applicable to all requests for FT, FT-NR, FT-SN, SNB, STS-L and STS transportation services and to all requests for any increases to the Contract Demand under existing FT, FT-SN, STS-L and STS Contracts or Contract Quantity under existing SNB Contracts provided however Section 5 shall not be applicable to any request for FT-NR transportation service.

4. ACCESS TO EXISTING CAPACITY**4.1 Posting of Existing Capacity**

If at any time prior to or during an open season TransCanada determines it has Existing Capacity, TransCanada may at any time, notify Service Applicants and prospective Service Applicants by posting a Notice of:

- (a) the Existing Capacity for each of the available System Segments;
- (b) the Date of Commencement for such Existing Capacity, provided that TransCanada is not obligated to offer a Date of Commencement two (2) or more years from the date of the notice;
- (c) the type of service available;
- (d) in the case of FT-NR the term the service will be available for; and
- (e) the date(s) the Existing Capacity Open Season will commence and end.

4.2 The Existing Capacity Open Season

- (a) TransCanada shall hold an open season for the Existing Capacity (the "Existing Capacity Open Season") commencing on or about May 5 in each calendar year (unless it has no Existing Capacity). The Existing Capacity Open Season shall be for a period of time determined by TransCanada which shall not be less than five (5) Banking Days after the commencement of such Existing Capacity Open Season. TransCanada may hold an additional Existing Capacity Open Season at any time it determines necessary. Service Applicant may during the Existing Capacity Open Season submit by fax or mail a Bid Form for all or a portion of the Existing Capacity for a minimum term of one (1) year. Bids with a term greater than 1 year shall be in full month increments. TransCanada must receive all Bid Forms before the end of such Existing Capacity Open Season.

- (b) Service Applicant shall submit a separate Bid Form for all or a portion of the Existing Capacity for each System Segment. TransCanada shall accept a Bid Form for the purposes of evaluation and allocation in accordance with sub-Section 4.4 hereof for:
 - (i) capacity from a specified receipt point to a specified delivery point or area within the System Segment;
 - (ii) a different Date of Commencement;
 - (iii) a different type of service;
 - (iv) a Bid Form which is subject to the condition that another specified Bid Form(s) has been accepted; and/or
 - (v) a Bid Form for service pursuant to the SNB Toll Schedule.
- (c) If TransCanada determines in its sole discretion that a Bid Form is incomplete or does not conform to the requirements herein, such Bid Form shall be rejected by TransCanada.
- (d) TransCanada shall advise Service Applicant whether or not its Bid Form has been rejected within two (2) Banking Days of its receipt.
- (e) Information on the Bid Forms will be kept confidential by TransCanada, however, TransCanada shall provide the information to the NEB if required or requested to do so by the NEB.
- (f) Within 2 Banking Days of the end of the Existing Capacity Open Season for each Bid Form, New Service Applicant shall provide to TransCanada a Deposit equal to the lesser of:
 - (i) one (1) month demand charges for the maximum capacity set out on the Bid Form; or
 - (ii) \$10,000;
- (g) Notwithstanding sub-section 4.2 (e), if any of the Bid Forms received by TransCanada is for service pursuant to the SNB Toll Schedule, TransCanada shall notify all Service Applicants within 2 Banking Days following the end of the Existing Capacity Open Season.

4.3 Pricing of Existing Capacity

The toll applicable to the Existing Capacity shall be the toll approved by the NEB and set forth in the List of Tolls in the TransCanada Tariff, or a toll determined by a methodology approved by the NEB.

4.4 Allocation of Existing Capacity

- (a) At the close of the Existing Capacity Open Season, TransCanada shall rank the submitted Bid Forms and TransCanada shall, subject to sub-Section 4.4(b), allocate the Existing Capacity among Service Applicants in the following priority:
- (i) First by the demand toll multiplied by the Contract term for each Bid Form or combination of Bid Forms, with the bid(s) yielding the highest overall product having the highest priority;
- (I) If a Bid Form is for FT-SN Service, the applicable demand toll for the purpose of determining such product shall be the demand toll for FT Service from the receipt point to the delivery point or area each specified in the Bid Form;
- (II) If a Bid Form is for service pursuant to the SNB Toll Schedule then the product of demand toll and Contract term will be adjusted by multiplying such product by the requested maximum capacity and dividing such amount by the actual impact on Posted Capacity as determined by TransCanada;
- (ii) Then by the requested Date of Commencement, with the earliest requested Date of Commencement having the highest priority, provided that TransCanada will have no obligation to award any Existing Capacity to a Bid Form with a service to commence two or more years from the close of the Existing Capacity Open Season.
- (b) If two (2) or more Bid Forms or combinations of Bid Forms have the same ranking, determined in accordance with sub-Sections 4.4(a) and the Existing Capacity is not sufficient to provide service for the quantities requested in those Bid Forms or combination Bid Forms, then the Existing Capacity shall be allocated (rounded to the nearest GJ) on a pro-rata basis based on the maximum capacity requested in each Bid Form.
- (c) If the pro-rata share of the remaining Existing Capacity allocated to a Bid Form pursuant to sub-Section 4.4(b) is less than the minimum capacity specified in

such Bid Form, that Bid Form shall be deemed to be rejected by TransCanada and the remaining Existing Capacity shall be reallocated under sub-Section 4.4(b) excluding such Bid Form.

- (d) TransCanada shall allocate Existing Capacity to the Bid Forms with the highest rankings until all the Bid Forms have been processed or until all Existing Capacity has been allocated. If an offer of Existing Capacity is withdrawn, pursuant to sub-Section 4.5(d) then this Existing Capacity will be reallocated sequentially to the remaining Bid Forms according to the procedures in sub-Sections 4.4(a), (b), and (c).

4.5 Notification to Service Applicants

- (a) TransCanada will use reasonable efforts to notify, as soon as possible but in no event longer than two (2) Banking Days after the close of the Existing Capacity Open Season, by telephone, fax or otherwise, all Service Applicants who have been allocated any Existing Capacity. Provided however if TransCanada receives a Bid Form for service pursuant to the SNB Toll Schedule, TransCanada shall be entitled to notify all Service Applicants within 10 Banking Days after the close of the Existing Capacity Open Season.
- (b) Service Applicant shall provide TransCanada with financial assurances as required by TransCanada pursuant to Section XXIII of the General Terms and Conditions of TransCanada's Tariff, within one (1) Banking Day from the time TransCanada sends notice to Service Applicant pursuant to subsection 4.5(a). Such assurances would cover the transportation agreement resulting from the successful bid, as well as all other transportation agreements between TransCanada and Service Applicant (including those provided in relation to Existing Capacity, and those which were used to backstop TransCanada New Capacity expansions.) TransCanada may, at any time in its sole discretion, waive the requirement for Service Applicant to provide financial assurances or extend the period for providing such financial assurances.
- (c) Upon satisfaction of the financial assurances requirements in sub-Section 4.5(b), TransCanada shall forward to Service Applicant for execution a Transportation Contract. Service Applicant shall, within ten (10) Banking Days from the Day TransCanada sends the Transportation Contract to the Service Applicant,

execute and return to TransCanada for execution by TransCanada, the Transportation Contract.

- (d) If a New Service Applicant does not execute and return to TransCanada the Transportation Contract within ten (10) Banking Days, or if a New Service Applicant fails to provide financial assurances as required in sub-Section 4.5 (b), the offer to the New Service Applicant for the Existing Capacity allocated to the New Service Applicant shall be withdrawn and TransCanada shall keep the Deposit. If the Transportation Contract is signed, then the Deposit will be credited by TransCanada to the bill for the first month(s) of service or returned to the New Service Applicant, if requested.
- (e) If an Existing Service Applicant does not execute and return to TransCanada the Transportation Contract within ten (10) Banking Days, or if an Existing Service Applicant fails to provide financial assurances as required in sub-Section 4.5 (b), the offer to the Existing Service Applicant for the Existing Capacity allocated to the Existing Service Applicant shall be withdrawn and Existing Service Applicant shall pay TransCanada an amount equal to the lesser of
 - (i) one (1) month demand charges for the maximum capacity set out on the Bid Form; or
 - (ii) \$10,000.
- (f) TransCanada may in its sole discretion extend the ten (10) Day period for which Service Applicant can execute the Transportation Contract.
- (g) TransCanada will return the Deposit provided by an unsuccessful New Service Applicant within five (5) banking days from the date the Transportation Contracts are executed for all Existing Capacity for that Existing Capacity Open Season.

4.6 Daily Existing Capacity Open Seasons

- (a) If not all Existing Capacity is allocated pursuant to sub-Section 4.4 above, TransCanada will post on each Banking Day on its electronic bulletin board the Daily Existing Capacity for FT, FT-NR, FT-SN, STS-L or STS service (the "Daily Existing Capacity Open Season"). The Daily Existing Capacity on any System Segment to be posted will be determined as follows:

Remaining Existing Capacity at Close of Existing Capacity Open Season	Daily Existing Capacity for Daily Existing Capacity Open Season
Greater than or equal to 20,000 GJ/Day	50 percent of remaining Existing Capacity
10,000 to 20,000 GJ/Day	10,000 GJ/Day
Less than 10,000 GJ/Day	100 percent of remaining Existing Capacity

- (b) TransCanada shall post the Daily Existing Capacity on its electronic bulletin board by 16:00 hours CCT on each Day prior to the Day that a Daily Existing Capacity Open Season is held. Daily Existing Capacity will be awarded according to bids received by 09:00 hours CCT.
- (c) TransCanada shall post on its electronic bulletin board a summary of all new operating FT, FT-NR, FT-SN, STS-L or STS Contracts entered into that reduce the Daily Existing Capacity, and an explanation of why other changes are made to the Daily Existing Capacity.
- (d) Service Applicants will bid in a Daily Existing Capacity Open Season by submitting a signed Daily Existing Capacity Open Season Bid Form, as well as any financial assurances required by TransCanada. All Daily Existing Capacity Open Season Bid Forms once received by TransCanada shall be deemed to be irrevocable and cannot be withdrawn or amended by Service Applicant unless such Daily Existing Capacity Open Season Bid Form is subject to the condition that another Daily Existing Capacity Open Season Bid Form as set out in the Daily Existing Capacity Open Season Bid Form has been accepted.
- (e) TransCanada shall not be obligated to accept any bid if the Service Applicant has not provided Financial Assurances requested by TransCanada on any other transportation agreements between TransCanada and that Service Applicant (including those provided from Existing Capacity, and those which were used to backstop TransCanada New Capacity expansions).

- (f) TransCanada is not obligated to offer Date of Commencement two (2) or more years from the date of the Daily Existing Capacity Open Season.
- (g) TransCanada shall not be obligated to accept in any Daily Existing Capacity Open Season any bid for service to start within 5 Banking Days of the date on which the bid is made.
- (h) The Daily Existing Capacity Open Season bids will be evaluated according to the criteria for Existing Capacity Open Season bids as outlined in sub-Section 4.4.
- (i) If a Daily Existing Capacity Open Season Bid Form is accepted by TransCanada, TransCanada shall provide a Transportation Contract to Service Applicant. Service Applicant shall then have 1 Banking Day to execute and return such Transportation Contract.
- (j) TransCanada will not hold a Daily Existing Capacity Open Season under any of the following circumstances:
 - (i) on any Day other than a Banking Day; or
 - (ii) if TransCanada has no Daily Existing Capacity to offer; or
 - (iii) if TransCanada has given notice that it will be holding either an Existing Capacity Open Season pursuant to sub-Section 4.2 hereof, or a New Capacity Open Season pursuant to sub-Section 5.1 hereof. No Daily Existing Capacity Open Season would be held from the date of such notice until after the Existing Capacity Open Season, or the New Capacity Open Season, as the case may be, has concluded, and the requested capacity has been allocated, provided however TransCanada may continue to offer capacity in a Daily Existing Capacity Open Season if TransCanada determines in its sole discretion that such capacity does not reduce the capacity offered in the Existing Capacity Open Season and/or New Capacity Open Season
- (k) After all Daily Existing Capacity has been allocated in the Daily Existing Capacity Open Season held pursuant to sub-Section 4.6, the portion of the remaining Existing Capacity not offered in the Daily Existing Capacity Open Season shall be made available in the next Existing Capacity Open Season and/or New Capacity Open Season.

5. ACCESS TO NEW CAPACITY**5.1 The New Capacity Open Season**

(a) When TransCanada determines, in its sole discretion, that there is a reasonable expectation of a long term requirement for an expansion of TransCanada's System Capacity (the "New Capacity") and that TransCanada intends to prepare and to submit to the NEB a Facilities Application, TransCanada shall place a notice on its electronic bulletin board and otherwise notify potential Service Applicants by fax or email that it will hold an open season (the "New Capacity Open Season"). Such notice shall:

- (i) identify the Minimum Term for bids in support of the Facilities Application;
- (ii) request that Service Applicants provide to TransCanada;
 - A. Bid Form(s) by the end of the New Capacity Open Season; and
 - B. By the date referred to in sub-Section 5.4(c)(i), all applicable supporting documentation set out in the National Energy Board's Filing Manual, determined by TransCanada to be necessary for submission to the NEB in support of TransCanada's Facilities Application and which evidence supports the Service Applicant's need for transportation service in the timeframe contemplated in the Service Applicant's Bid Form;
- (iii) identify the New Service Start Date;
- (iv) identify the dates on which the New Capacity Open Season will commence and end;
- (v) indicate the System Segments which are being offered; and
- (vi) identify any System Segments where TransCanada determines in its sole discretion that TransCanada may be limited as to the total New Capacity that may be made available and the time such New Capacity may be available.

5.2 Bidding in the New Capacity Open Season

(a) Service Applicant shall submit a separate Bid Form, and other documentation as described in sub-Section 5.1(a)(ii) for each separate request. TransCanada shall

accept a Bid Form and documentation for the purposes of evaluation and allocation in accordance with sub-Section 5.3 hereof for:

- (i) capacity from a specified receipt point to a specified delivery point or area within the System Segment; or
- (ii) a different Date of Commencement; or
- (iii) a different service; or
- (iv) a Bid Form which is subject to the condition that another specified Bid Form(s) has been accepted.

Each Bid Form once received by TransCanada shall be irrevocable.

- (b) TransCanada shall not be obligated to accept any bid if Service Applicant has not provided financial assurances requested by TransCanada on any other transportation agreements between TransCanada and Service Applicant .
- (c) Information on the Bid Forms and in the supporting documentation provided pursuant to sub-Section 5.4(c)(i) will be kept confidential. However, TransCanada shall provide the information to the NEB if required or requested to do so by the NEB, including as needed to support a Facilities Application. Any information submitted by a Service Applicant who has not been allocated New Capacity pursuant to sub-Section 5.3 shall be destroyed by TransCanada.
- (d) Within 2 Banking Days of the end of the New Capacity Open Season, for each Bid Form New Service Applicant shall provide to TransCanada a Deposit equal to the lesser of:
 - (i) 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
 - (ii) \$10,000.

5.3 Allocation of Capacity

- (a) At the close of the New Capacity Open Season TransCanada shall rank the accepted Bid Forms and TransCanada shall, subject to sub-Section 5.3(b), allocate the New Capacity among Service Applicants in the following priority:
 - (i) First by the demand toll in effect for the service at the time the New Capacity Open Season closes, multiplied by the Contract term for each

Bid Form or combination of Bid Forms, with the bid(s) resulting in the highest overall total product having the highest priority;

- (I) If a Bid Form is for FT-SN Service the applicable demand toll for the purpose of determining such product shall be the demand toll for FT Service from the receipt point to the delivery point or area each specified in the Bid Form;
 - (II) If a Bid Form is for service pursuant to the SNB Toll Schedule then the product of demand toll and Contract term will be adjusted by multiplying such product by the requested maximum capacity and dividing such amount by the actual impact on capacity as determined by TransCanada;
- (ii) Then by the requested Date of Commencement, with the earliest requested Date of Commencement having the highest priority, provided that such commencement date is not earlier than the New Service Start Date.
- (b) If two (2) or more Bid Forms or combinations of Bid Forms have the same ranking, as determined by the procedure set in sub-Section 5.3(a) and the New Capacity is not sufficient to provide service for the quantities requested in those Bid Forms or combination of Bid Forms, then the New Capacity shall be allocated (rounded to the nearest GJ) on a pro-rata basis based on the maximum capacity requested in each Bid Form.
 - (c) If the pro-rata share of remaining New Capacity allocated to a Bid Form pursuant to sub-Section 5.3(b) is less than the minimum capacity specified in such Bid Form, that Bid Form shall be deemed to be rejected by TransCanada and the remaining New Capacity shall be reallocated under sub-Section 5.3(b) excluding such Bid Form.
 - (d) TransCanada shall allocate New Capacity to the Bid Forms with the highest rankings until all the Bid Forms have been processed or until all New Capacity has been allocated. If an offer of New Capacity is deemed to be withdrawn or rejected, pursuant to sub-Sections 5.4(c) or 5.5, then this New Capacity will be reallocated sequentially to the remaining Bid Forms according to the procedures in sub-Sections 5.3(a), (b), and (c).

5.4 Notification to Service Applicants

- (a) TransCanada will use reasonable efforts to notify, as soon as possible but in no event longer than fifteen (15) Banking Days of the close of the Open Season, by telephone, fax or otherwise, all Successful Bidders.
- (b) TransCanada shall return the Deposit to each New Service Applicant not offered any New Capacity.
- (c) TransCanada shall prepare and forward to each Successful Bidder:

- (i) a binding transportation service precedent agreement for the service requested pursuant to their Bid Form ("TransCanada's Offer"), which precedent agreement shall set forth the terms and conditions, including the conditions precedent, upon which the service is offered to Service Applicant (the "Precedent Agreement"). TransCanada's Offer shall be subject to the following condition:

The Successful Bidder has provided the supporting documentation, referred to in sub-Section 5.1(a)(ii), to TransCanada within 5 Banking Days (or such longer period agreed to by TransCanada) of receipt of the Precedent Agreement and such supporting documentation is complete, conforms to the requirements herein and is in a form satisfactory to TransCanada.

If TransCanada determines in its sole discretion that the condition is not satisfied, TransCanada shall notify in writing the Successful Bidder. The Successful Bidder shall have 5 Banking Days following receipt of such notification to satisfy the condition, or TransCanada's Offer shall be deemed to be withdrawn. TransCanada will have the option of allocating any New Capacity arising from withdrawn offers to any accepted Bid Forms that were not allocated New Capacity, pursuant to sub-Section 5.3; and

- (ii) The Financial Assurances Agreement.

Service Applicant may accept TransCanada's Offer by executing and returning the Precedent Agreement, and the Financial Assurances Agreement within thirty (30) calendar Days of Service Applicant's receipt thereof (the "Return Period") and Service Applicant's service request (the "Accepted Bid") shall then be included in support of TransCanada's Facilities Application ("Service Applicant's

Acceptance”). The Return Period may be extended at TransCanada’s discretion, if so requested by Service Applicant.

- (d) Upon inclusion of an Accepted Bid in support of TransCanada's Facilities Application, Service Applicant shall then be obligated to provide to TransCanada any additional information that the NEB may require in accordance with NEB procedural orders and information requests in respect of TransCanada's Facilities Application.
- (e) Upon a New Service Applicant’s Acceptance, if TransCanada provides service as set out in the Precedent Agreement (as it may be amended), the Deposit will be credited to the New Service Applicant in the first month(s) bill(s) for service, or returned to the New Service Applicant if the New Service Applicant so requests. If TransCanada is unable to provide the service as set out in the Precedent Agreement the Deposit will be returned to the New Service Applicant by TransCanada.

5.5 **Non-Acceptance of Offers**

- (a) If Service Applicant does not execute and return both the Precedent Agreement and Financial Assurances Agreement, and such other documents that TransCanada determines to be necessary within the Return Period, Service Applicant will have been deemed to have rejected TransCanada’s offer (the “Rejected Offer”). In such case TransCanada will have no obligation to return the Deposit provided by a New Service Applicant, and Existing Service Applicants shall pay TransCanada an amount equal to the lesser of:
 - (i) 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
 - (ii) \$10,000.
- (b) TransCanada will have the option of allocating any New Capacity arising from Rejected Offers to any accepted Bid Forms that were not allocated New Capacity, pursuant to sub-Section 5.3.

5.6 **Inclusion of Existing Capacity**

(a) If TransCanada's determines in its sole discretion that prior to or during the New Capacity Open Season Existing Capacity is or becomes available, TransCanada shall:

(i) include such Existing Capacity in the New Capacity Open Season; or

(ii) change the New Capacity Open Season to include such Existing Capacity;

provided that such change is made no less than 5 Banking Days prior to the end of a New Capacity Open Season;

(b) If TransCanada includes such Existing Capacity in a New Capacity Open Season, Service Applicant can apply for service pursuant to Section 4 or Section 5; and

(c) If TransCanada includes such Existing Capacity in the New Capacity Open Season, TransCanada shall allocate such Existing Capacity to all Service Applicants for New Capacity and Existing Capacity pursuant to sub-section 4.4. If there remain Service Applicants for New Capacity whose requests were not satisfied, or only satisfied in part, such Service Applicants for New Capacity will be allocated New Capacity for such unsatisfied or partially satisfied requests pursuant to sub-section 5.3.

(d) If such Existing Capacity is allocated to New Capacity requests with Dates of Commencement in the future such Existing Capacity shall be made available to Shippers, firstly as service under the FT-NR Toll Schedule, and secondly as service under the STFT Toll Schedule, during the period commencing on the date such Existing Capacity is available or becomes available and ending on the Day immediately prior to the requested Date(s) of Commencement.

6. MISCELLANEOUS PROVISIONS

a) This Procedure is subject to the provisions of the National Energy Board Act and any other legislation passed in amendment thereof or substitution therefore.

b) Any upper cased term not defined herein shall have the meaning attributed thereto in the General Terms & Conditions of TransCanada's Tariff as amended from time to time.

APPENDIX "A"

EXISTING OR NEW CAPACITY OPEN SEASON BID FORM

System Segment: _____

The Delivery Point: _____ The Receipt Point: _____

Date of Commencement: _____ Service Termination Date: _____

Maximum Capacity: _____ GJ/Day Minimum Capacity: _____ GJ/Day

Type of Service Requested: FT____ FT-NR____ FT-SN ____ SNB ____ STS-L____
STS____

Allocated Existing Capacity: _____ GJ's/Day

Service Applicant Contact

Name: _____

Address: _____

Telephone: _____ Telecopy: _____

Is this Bid Form conditional upon another bid form(s)?

Yes ____ **No** ____ If **Yes**, the Bid Form(s), upon which this Bid Form is conditional must be attached. Indicate number of bid forms attached: ____.

The Bid Form shall be subject to the General Terms and Conditions, the applicable Toll Schedule and List of Tolls of TransCanada's Tariff.

Dated this _____ Day of _____, _____.

Service Applicant:

By: _____

By: _____

Title: _____

Title: _____

TRANSPORTATION ACCESS PROCEDURE

APPENDIX "B"

DAILY EXISTING CAPACITY OPEN SEASON BID FORM

System Segment: _____

The Delivery Point: _____ The Receipt Point: _____

Date of Commencement: _____ Service Termination Date: _____

Maximum Capacity: _____ GJ/Day Minimum Capacity: _____ GJ/Day

Type of Service Requested: FT____ FT-NR____ FT-SN____ SNB____ STS-L____
STS_____

Allocated Existing Capacity: _____ GJ's/Day

Service Applicant Contact

Name: _____

Address: _____

Telephone: _____ Telecopy: _____

Is this Daily Existing Capacity Open Season Bid Form conditional upon another Daily Existing Capacity Open Season Bid Form(s)?

Yes ___ No ___ If Yes, the Daily Existing Capacity Open Season Bid Form(s), upon which this Daily Existing Capacity Open Season Bid Form is conditional must be attached. Indicate number of Daily Existing Capacity Open Season Bid Forms attached:_____.

Service Applicant agrees that:

1. This Bid Form once received by TransCanada shall be irrevocable and cannot be withdrawn or amended by Service Applicant unless such Daily Existing Capacity Open Season Bid Form is subject to the condition that another Daily Existing Capacity Open Season Bid Form as set out in the Daily Existing Capacity Open Season Bid Form has been accepted and shall be subject to the General Terms and Conditions, the applicable Toll Schedule and List of Tolls of TransCanada's Tariff; and
2. Service Applicant shall execute the Transportation Contract within 1 Banking Day from the Day TransCanada provides such Transportation Contract.

Dated this _____ Day of _____, _____.

Service Applicant:

By: _____

By: _____

Title: _____

Title: _____

Signed: _____

Signed: _____