

INTERRUPTIBLE TRANSPORTATION SERVICE CONTRACT

THIS INTERRUPTIBLE TRANSPORTATION SERVICE CONTRACT, made as of day of
the day of _____, 20____.

BETWEEN:

TRANSCANADA PIPELINES LIMITED
a Canadian corporation
("TransCanada")

OF THE FIRST PART

and

("Shipper")

OF THE SECOND PART

WITNESSES THAT:

WHEREAS TransCanada owns and operates a natural gas pipeline system extending from a point near the Alberta/Saskatchewan border where TransCanada's facilities interconnect with the facilities of NOVA Gas Transmission Ltd. easterly to the Province of Quebec with branch lines extending to various points on the Canada/United States of America International Border; and

WHEREAS Shipper has requested and TransCanada has agreed to transport quantities of gas (in GJ's) that are delivered by Shipper or Shipper's agent to TransCanada at the receipt point(s) listed in TransCanada's Transportation Tariff (the "Receipt Point(s)"), from the Receipt Point(s) to the delivery point(s) listed in TransCanada's Transportation Tariff (the "Delivery Point(s)") pursuant to the terms and conditions of this Contract; and

WHEREAS Shipper has satisfied in full the conditions precedent in Sections 1.1 (b) and (c) of TransCanada's Interruptible Transportation Service Toll Schedule (the "IT Toll Schedule") referred to in Section 6.1 hereof; and

WHEREAS the quantities of gas delivered hereunder by Shipper or Shipper's agent to TransCanada are to be removed from the province of production of such gas by Shipper and/or Shipper's suppliers and/or its (their) designated agent(s) pursuant to valid and subsisting permits and/or such other authorizations in respect thereof.

NOW THEREFORE this contract witnesses that, in consideration of the covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I - COMMENCEMENT OF SERVICE

1.1 The date of commencement (the "Date of Commencement") of service hereunder shall be the date for which Shipper first nominates and TransCanada authorizes service hereunder.

ARTICLE II - DELIVERY POINT(S) AND RECEIPT POINT(S)

2.1 Shipper shall be entitled to nominate service to any combination of Receipt Point(s) and Delivery Point(s) acceptable to TransCanada provided that Shipper shall not be entitled to nominate service to any combination of Receipt Point(s) and Delivery Point(s) which would result in the transportation service between such points constituting a backhaul service.

ARTICLE III - TOLLS

3.1 Shipper shall pay for all transportation service hereunder from the Date of Commencement in accordance with TransCanada's IT Toll Schedule, List of Tolls, and General Terms and Conditions as described in Section 6.1 hereof set out in TransCanada's Transportation Tariff as same may be amended or approved from time to time (the "Tariff") by the National Energy Board ("NEB"). If the toll payable for transportation service between any of the Receipt Point(s) and any of the Delivery Point(s) is not set forth in the List of Tolls, then TransCanada shall calculate such toll utilizing the methodology approved by the NEB and thereafter such toll shall apply to such service (subject to amendment by TransCanada from time to time to reflect decisions of the NEB).

3.2 Shipper shall pay for all delivery pressure service hereunder from the Date of Commencement in accordance with TransCanada's IT Toll Schedule, List of Tolls and General Terms and Conditions set out in TransCanada's Transportation Tariff as the same may be amended or approved from time to time by the NEB.

ARTICLE IV - TERM OF CONTRACT

4.1 This Contract shall be effective from the date hereof and shall continue in force until terminated by either party in accordance with Section 4.2 hereof or the General Terms and Conditions set out in the Tariff.

4.2 In addition to the termination provisions set out in the General Terms and Conditions of the Tariff, either party shall have the right to terminate this Contract at any time by giving the other party 30 days prior notice in writing. Upon the expiration of the aforesaid 30 day period, this Contract shall thereupon terminate and be of no further force or effect provided that nothing herein shall relieve either party from any obligation which arose prior to the effective date of such termination.

ARTICLE V - NOTICES

5.1 Any notice, request, demand, statement or bill (for the purpose of this paragraph, collectively referred to as "Notice") to or upon the respective parties hereto shall be in writing and shall be directed as follows:

IN THE CASE OF TRANSCANADA: TransCanada PipeLines Limited

- | | |
|------------------------|---|
| (i) mailing address: | P.O. Box 1000
Station M
Calgary, Alberta
T2P 4K5 |
| (ii) delivery address: | TransCanada Tower
450 – 1 st Street S.W.
Calgary, Alberta
T2P 5H1 |
| | Attention: Director, Customer Service
Telecopy: _____ |
| (iii) nominations: | Attention: Manager, Nominations & Allocations
Telecopy: _____ |
| (iv) bills: | Attention: Manager, Contracts & Billing
Telecopy: _____ |
| (v) other matters: | Attention: Director, Customer Service
Telecopy: _____ |

IN THE CASE OF SHIPPER:

- (i) mailing address: _____

- (ii) delivery address: _____

- (iii) nominations: Attention: _____
 Telecopy: _____

- (iv) bills: Attention: _____
 Telecopy: _____
 E-mail address: _____

- (v) other matters: Attention: _____
 Telecopy: _____

Notice may be given by telecopier or other telecommunication device 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) days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event regular mail service, courier service, telecopier or other telecommunication service shall be interrupted by a cause beyond the control of the parties hereto, then the party sending the Notice shall utilize any service that has not been so interrupted to deliver such Notice. Each party shall provide Notice to the other of any change of address for the purposes hereof. Any Notice may also be given by telephone followed immediately by personal delivery, courier, prepaid mail, telecopier or other telecommunication, and any Notice so given shall be deemed to be given as of the date and time of the telephone notice.

ARTICLE VI - MISCELLANEOUS PROVISIONS

6.1 The IT Toll Schedule, the List of Tolls, and the General Terms and Conditions set out in the Tariff are all by reference made a part of this Contract and operations hereunder shall, in addition to the terms and conditions of this Contract, be subject to the provisions thereof. TransCanada shall notify Shipper at any time that TransCanada files with the NEB revisions to the IT Toll Schedule, the List of Tolls, and/or the General Terms and Conditions (the "Revisions") and shall provide Shipper with a copy of the Revisions.

6.2 The headings used throughout this Contract, the IT Toll Schedule, the List of Tolls, and the General Terms and Conditions are inserted for convenience of reference only and are not to be considered or taken into account in construing the terms or provisions thereof nor to be deemed in any way to qualify, modify or explain the effect of any such provisions or terms.

6.3 This Contract shall be construed and applied, and be subject to the laws of the Province of Alberta, and, when applicable, the laws of Canada, and shall be subject to the rules, regulations and orders of any regulatory or legislative authority having jurisdiction.

ARTICLE VII - DELIVERY PRESSURE

7.1 TransCanada shall increase the line pressure of the gas it delivers to Shipper at the Emerson I Delivery Point to the pressure necessary for Shipper to have Viking Gas Transmission Company accept receipt of such gas from Shipper for transportation from the Emerson I Delivery Point, provided that, from the Date of Commencement until the termination of this Contract, TransCanada shall not be obligated to provide a pressure greater than 5 170 kPa (g).

7.2 TransCanada shall increase the line pressure of the gas it delivers to Shipper at the Emerson II Delivery Point to the pressure necessary for Shipper to have Great Lakes Gas Transmission Limited Partnership accept receipt of such gas from Shipper for transportation from the Emerson II Delivery Point, provided that, from the Date of Commencement until the termination of this Contract, TransCanada shall not be obligated to provide a pressure greater than 5 460 kPa (g).

7.3 TransCanada shall increase the line pressure of the gas it delivers to Shipper at the Dawn Delivery Point to a pressure of not less than 4 850 kPa (g).

7.4 TransCanada shall increase the line pressure of the gas it delivers to Shipper at the Niagara Falls Delivery Point to a pressure of not less than 4 830 kPa (g).

7.5 TransCanada shall increase the line pressure of the gas it delivers to Shipper at the Iroquois Delivery Point to the pressure necessary for Shipper to have Iroquois Gas Transmission System, L.P. accept receipt of such gas from Shipper for transportation from the Iroquois Delivery Point, provided that, from the Date of Commencement until the termination of this Contract, such pressure is not greater than 9 895 kPa (g).

7.6 TransCanada shall increase the line pressure of the gas it delivers to Shipper at the Chippawa Delivery Point to the pressure necessary for Shipper to have Empire State Pipeline accept receipt of such gas from Shipper for transportation from the Chippawa Delivery Point, provided that, from the Date of Commencement until the termination of this Contract, such pressure is not greater than 8 450 kPa (g).

7.7 TransCanada shall increase the line pressure of the gas it delivers to Shipper at the East Hereford Delivery Point to the pressure necessary for Shipper to have Portland Natural Gas Transmission System accept receipt of such gas from Shipper for transportation from the East Hereford Delivery Point, provided that such pressure is not greater than 8 650 kPa (g).

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first above written.

TRANSCANADA PIPELINES LIMITED

.....

PER: _____

PER: _____

NAME: _____

NAME: _____

Title: _____

Title: _____

PER: _____

PER: _____

NAME: _____

NAME: _____

Title: _____

Title: _____