

**FIRM TRANSPORTATION SHORT NOTICE SERVICE CONTRACT**

THIS FIRM TRANSPORTATION SHORT NOTICE SERVICE CONTRACT, made as 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 Corporation of Alberta 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 satisfied in full, or TransCanada has waived, each of the conditions precedent set out in sub-sections 1.1 (b), (c), (d) and (e) of TransCanada's Firm Transportation Short Notice Service Toll Schedule referred to in sub-section 7.1 hereof (the "FT-SN Toll Schedule"); and

WHEREAS Shipper has requested and TransCanada has agreed to transport quantities of gas, that are delivered by Shipper or Shipper's agent to TransCanada at the Receipt Point referred to in sub-section 3.2 hereof (the "Receipt Point"), to the Delivery Point referred to in sub-section 3.1 hereof (the "Delivery Point") pursuant to the terms and conditions of this Contract; and

**(Insert A)**

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 agreement herein contained, the parties hereto covenant and agree as follows:

**ARTICLE I - COMMENCEMENT OF SERVICE****(Insert B)****ARTICLE II - GAS TO BE TRANSPORTED**

2.1 Subject to the provisions of this Contract, the FT-SN Toll Schedule, the List of Tolls, and the General Terms and Conditions referred to in sub-section 7.1 hereof, TransCanada shall provide transportation service hereunder for Shipper in respect of a quantity of gas which, in any one day from the Date of Commencement until the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, shall not exceed \_\_\_\_\_ GJ (the "Contract Demand").

**ARTICLE III - DELIVERY POINT AND RECEIPT POINT**

3.1 The Delivery Point hereunder is the point specified as such in Exhibit "1" which is attached hereto and made a part hereof.

3.2 The Receipt Point hereunder is the point specified as such in Exhibit "1" hereof.

**ARTICLE IV - TOLLS**

4.1 Shipper shall pay for all transportation service hereunder from the Date of Commencement in accordance with TransCanada's FT-SN 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 National Energy Board ("NEB").

**ARTICLE V - TERM OF CONTRACT**

5.1 This Contract shall be effective from the date hereof and shall continue until the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**ARTICLE VI - NOTICES**

6.1 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<sup>st</sup> 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 VII - MISCELLANEOUS PROVISIONS**

7.1 The FT-SN Toll Schedule, the List of Tolls, and the General Terms and Conditions set out in TransCanada's Transportation Tariff as amended or approved from time to time by the NEB 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 FT-SN 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.

7.2 The headings used throughout this Contract, the FT-SN 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.

7.3 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.

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

TRANSCANADA PIPELINES LIMITED

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Per \_\_\_\_\_ per \_\_\_\_\_

per \_\_\_\_\_ per \_\_\_\_\_

**EXHIBIT "1"**

This is EXHIBIT "1" to the FIRM TRANSPORTATION SHORT NOTICE SERVICE CONTRACT made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_ between TRANSCANADA PIPELINES LIMITED ("TransCanada") and \_\_\_\_\_ ("Shipper")

The Delivery Point hereunder is the point of interconnection between the pipeline facilities of TransCanada and \_\_\_\_\_ which is located at:

The Receipt Point hereunder is the point of interconnection between the pipeline facilities of TransCanada and \_\_\_\_\_ which is located at:

**DIFFERENT CONTRACT VERSIONS**

**I For a Firm Transportation Short Notice Service Contract Executed Following Completion of a Precedent Agreement:**

**Insert A**

WHEREAS the parties hereto have heretofore entered into an agreement dated as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, (the "Precedent Agreement") which bound them, subject to the fulfillment or waiver of the conditions precedent therein set forth, to enter into a Contract substantially upon the terms and conditions hereinafter described; and

WHEREAS the conditions precedent of the Precedent Agreement have been satisfied or waived; and

**Insert B**

1.1 TransCanada shall use reasonable efforts to have the additional facilities (and/or obtain such transportation arrangements on other gas transmission systems) as may be required to effect the transportation of the gas hereunder (the "Necessary Capacity") in place by the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, or as soon as possible thereafter. TransCanada's ability to provide service by the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, will be subject to, inter alia,

(a) the timing of receipt by Shipper and TransCanada of the authorizations referred to in paragraphs 1 and 2 of the Precedent Agreement which are required prior to the commencement of construction of TransCanada's facilities and the timing of the commencement of the services required by TransCanada (if any) on the systems of Great Lakes Gas Transmission Limited Partnership, Union Gas Limited, and Trans Quebec Maritime Pipelines Inc.; and

(b) the lead time required for the acquisition, construction and installation of those facilities required by TransCanada.

TransCanada shall use reasonable efforts to provide Shipper with ten (10) days advance Notice of the anticipated availability of the Necessary Capacity (the "Advance Notice"). TransCanada shall give Shipper Notice of the actual date of availability of the Necessary Capacity ("TransCanada's Notice"), and service hereunder shall not commence prior to the actual date of availability of the Necessary Capacity.

1.2 The date of commencement of service hereunder (the "Date of Commencement") shall be the earlier of:

- (a) the date for which Shipper first nominates and TransCanada authorizes service hereunder; or
- (b) the tenth (10th) day following the day on which Shipper received TransCanada's Notice;

PROVIDED that Shipper shall not be obligated to a Date of Commencement which is earlier than the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, unless mutually agreed upon by both parties.

**II Firm Transportation Short Notice Service Contract Requiring Displacement of a Firm Transportation Short Notice Service Contract:**

**Insert A**

(nothing)

**Insert B**

1.1 As TransCanada does not otherwise have sufficient pipeline capacity on its system to offer this service, another shipper who has (a) long term Firm Transportation Short Notice Service contract(s) for the purpose of delivering gas to the same Delivery Point (the "Other Contract") must agree to reductions in the Contract Demand under the Other Contract equal to the Contract Demand hereunder effective as of the Date of Commencement.

1.2 The date of commencement of service hereunder (the "Date of Commencement") shall be the date for which Shipper first nominates, and TransCanada authorizes deliveries hereunder, pursuant to the provisions of this Contract.

1.3 Notwithstanding sub-section 5.1 hereof, if the Date of Commencement has not occurred on or before the \_\_\_ day of \_\_\_\_\_, 20\_\_, then either party may at any time thereafter, provided that service shall not have commenced hereunder, terminate this Contract forthwith by Notice to the other party.

**III Firm Transportation Short Notice Service Contract Not Following a Precedent Agreement and Not Requiring Displacement of a Firm Transportation Service Contract:**

**Insert A**

(nothing)

**Insert B**

1.1 The date of commencement of service hereunder (the "Date of Commencement") shall be the \_\_\_ day of \_\_\_\_\_, 20\_\_.