

SHORT TERM SHORT NOTICE SERVICE CONTRACT

THIS SHORT TERM 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 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 satisfied in full, or TransCanada has waived, each of the availability conditions set out in Section 2.1 of TransCanada's ST-SN Toll Schedule referred to in Section 8.1 hereof; and

WHEREAS the quantities of gas delivered hereunder by Shipper or Shipper's agent to TransCanada are to be removed from the province or country 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, licenses or other such authorizations.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, TransCanada and Shipper covenant and agree as follows:

ARTICLE I - DEFINITIONS

1.1 Capitalized terms used but not defined in this Contract shall have the meaning ascribed to such terms in the ST-SN Toll Schedule and in TransCanada's Transportation Tariff, as they may be amended from time to time.

ARTICLE II - GAS TO BE TRANSPORTED

2.1 Subject to the provisions of this Contract, the ST-SN Toll Schedule, the List of Tolls, and the General Terms and Conditions referred to in Section 8.1 hereof, TransCanada shall provide firm transportation service to Shipper for such period of time and in respect of a quantity of gas not in excess of the Maximum Daily Quantity specified in the Addendum to this Contract executed from time to time, which Addendum shall be in the form attached hereto as Exhibit "A".

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

3.1 The Delivery Point(s) hereunder are those points specified as such in Exhibit "A" Addendum entered into from time to time by the parties.

3.2 The Receipt Point(s) hereunder are those points specified as such in Exhibit "A" Addendum entered into from time to time by the parties.

ARTICLE IV - TOLLS

4.1 Shipper shall pay for all transportation service hereunder in accordance with TransCanada's ST-SN Toll Schedule, List of Tolls, and General Terms and Conditions set out in TransCanada's Transportation Tariff, as each may be amended from time to time by the National Energy Board ("NEB"). The toll to be paid by Shipper hereunder shall be that ST-SN Bid Price specified in Exhibit "A" Addendum to this Contract entered into from time to time by the parties for the transportation service described therein.

ARTICLE V - TERM OF CONTRACT

5.1 This Contract shall be effective from the date hereof and shall continue in force unless terminated in accordance with Section 5.2 hereof or the provisions of the General Terms and Conditions set out in TransCanada's Transportation Tariff.

5.2 In addition to the termination provisions set out in the General Terms and Conditions of TransCanada's Transportation Tariff, either party shall have the right to terminate this Contract at any time by giving the other party thirty (30) days prior written notice. Upon expiration of the aforesaid thirty (30) day period, this Contract shall terminate and be of no further force or effect; provided that nothing herein shall relieve either party from any obligations which arose prior to the effective date of such termination, including all obligations under Exhibit "A" Addendum in force on the effective date of such termination.

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 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 VII - DELIVERY PRESSURE

7.1 Shipper shall pay for all delivery pressure service hereunder in accordance with the provisions of the ST-SN Toll Schedule, List of Tolls and General Terms and Conditions of TransCanada's Transportation Tariff, as each may be amended from time to time.

ARTICLE VIII - MISCELLANEOUS PROVISIONS

8.1 The ST-SN Toll Schedule, the List of Tolls, and the General Terms and Conditions set out in TransCanada's Transportation Tariff, as each may be amended from time to time by the NEB, are all by reference made a part of this Contract and transportation service 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 ST-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.

8.2 The headings used throughout this Contract, the ST-SN Toll Schedule, the List of Tolls and the General Terms and Conditions are inserted for convenience of reference only and are not intended 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.

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

8.4 This Contract, including the Exhibit "A" Addendum attached hereto, each Exhibit "A" Addendum entered into from time to time by the parties, and all terms, conditions and provisions incorporated herein by reference, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements, representations and understandings, written or oral, pertaining thereto. Except as otherwise provided for herein, no modification, amendment or variation to this Contract shall be effective unless such modification, amendment or variation is in writing and signed by both parties hereto.

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

Shipper:

TRANSCANADA PIPELINES LIMITED:

By: _____

By: _____

Title: _____

Title: _____

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT "A" ADDENDUM

Page ____ of ____

Short Term Short Notice Service Contract Addendum

This Exhibit "A" Addendum, made as of the _____ day of _____, 20____, to the Short Term Firm Transportation Service Contract made as of the ____ day of _____, 20__, between TransCanada PipeLines Limited ("TransCanada") and _____ ("Shipper").

System Segment _____

The Delivery Point hereunder is the point of interconnection between the pipeline facilities of TransCanada and _____ which is located at or near _____.

The Receipt Point hereunder is the point of interconnection between the pipeline facilities of TransCanada and _____ which is located at or near _____.

ST-SN Service Period: _____

Maximum Daily Quantity: _____ GJ Minimum Daily Quantity: _____ GJ

ST-SN Bid Price (\$/ GJ/day, maximum 4 decimal places): _____.

Shipper Contact

Name: _____

Address: _____

Telephone: _____ Telecopy : _____

Dated this _____ day of _____, 20__.

Shipper:

TransCanada PipeLines Limited:

By: _____

By: _____

Title: _____

Title: _____

By: _____

By: _____

Title: _____

Title: _____