

**APPENDIX “A”  
TO  
GAS TRANSPORTATION TARIFF  
OF  
NOVA GAS TRANSMISSION LTD.**

**TERMS AND CONDITIONS RESPECTING  
ACCESS TO TRANSPORTATION SERVICE AT  
GROUP 1 DELIVERY POINTS**

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**1.0 DEFINITIONS**

- 1.1** Capitalized terms used in this Appendix have the meanings attributed to them in the Tariff unless otherwise defined in this Appendix.

**2.0 PROCEDURES FOR ACCESS TO FT-D EXISTING CAPACITY**

**2.1 Posting of FT-D Existing Capacity**

If Company determines that capacity is available or may become available for Service under Rate Schedule FT-D that does not require new Facilities (“FT-D Existing Capacity”), Company shall provide Notice on the Website of the open season for such FT-D Existing Capacity (the “FT-D Existing Capacity Open Season”). At least 3 Banking Days (excluding statutory holidays in the United States) after such Notice, Company shall post on the Website:

- (a) the quantity of FT-D Existing Capacity available at the Group 1 Delivery Point;
- (b) the date such FT-D Existing Capacity will be available; and
- (c) the Closing Date for such FT-D Existing Capacity Open Season.

An FT-LE Capacity Open Season pursuant to article 6.0 may be held by Company concurrently with an FT-D Existing Capacity Open Season.

**2.2 FT-D Existing Capacity Bid Process**

If Company posts FT-D Existing Capacity pursuant to paragraph 2.1, prospective customers may bid for such FT-D Existing Capacity, on any Banking Day up to and including the Closing Date, as follows:

- (a) Prospective customers shall submit a completed and unedited bid form, in the form set out in article 7.0 (the “FT-D Open Season Bid Form”);
- (b) The requested term of Service, as established by the requested Service Commencement Date and requested Service Termination Date, each set out on the FT-D Open Season Bid Form, shall be a minimum term of one year;
- (c) All bids shall be irrevocable and must be received by Company by 11:00 hours CCT on the Closing Date;
- (d) Within 2 Banking Days of the Closing Date, prospective customers, except those who are also Customers receiving Service, other than Service under Rate Schedule IT-S or Rate Schedule FT-X, shall provide to Company for each FT-D Open Season Bid Form, a deposit equal to the lesser of:
  - (i) one month demand charges for the FT-D Delivery Contract Demand set out on the FT-D Open Season Bid Form; or
  - (ii) \$10,000.

The deposit, if provided, shall be refunded to unsuccessful bidders within 5 Banking Days from the date the Service Agreements and Schedules of Service under Rate Schedule FT-D are executed for all FT-D Existing Capacity posted in the FT-D Existing Capacity Open Season.

If Company awards FT-D Existing Capacity to a prospective customer and such customer executes the Service Agreement and Schedule of Service under Rate Schedule FT-D for such FT-D Existing Capacity, the deposit, if provided, will be credited to the bill for the first month of Service or returned to the Customer if requested.

If Company awards FT-D Existing Capacity to a prospective customer who is also a Customer receiving Service, other than Service under Rate Schedule IT-S or Rate Schedule FT-X, and such prospective customer fails to meet the

requirements for FT-D Existing Capacity set out in paragraph 2.5, the FT-D Existing Capacity awarded to such prospective customer shall be withdrawn and such prospective customer shall pay Company an amount equal to the lesser of:

- (i) one month demand charges for the FT-D Delivery Contract Demand set out on the FT-D Open Season Bid Form; or
  - (ii) \$10,000.
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit an FT-D Open Season Bid Form for a quantity greater than the FT-D Existing Capacity being offered or submit multiple bids where the aggregate FT-D Delivery Contract Demand of the multiple bids exceeds the FT-D Existing Capacity being offered; and
- (f) Company shall not be obligated to accept any bid if:
- (i) the Service Commencement Date is within 5 Banking Days of the Closing Date;
  - (ii) the Service Commencement Date is more than 12 months from the Closing Date; and
  - (iii) the prospective customer has not met the criteria set forth in article 2.0.

## **2.3 Conditional Bids**

**2.3.1** If a prospective customer's bid is subject to the condition set out in paragraph 8 of the FT-D Open Season Bid Form that such prospective customer has been awarded capacity through a direct interconnecting pipeline open season process (the "Interconnecting Pipeline Open Season"), Customer shall within 2 Banking Days from the FT-D Existing Capacity Open Season Closing Date provide Notice to Company that either the condition has been satisfied or waived. If such prospective customer fails to provide Company with such Notice, the condition

shall be deemed satisfied and Company may award FT-D Existing Capacity to such prospective customer pursuant to paragraph 2.4.

- 2.3.2** If the capacity awarded to a prospective customer through an Interconnecting Pipeline Open Season is less than the requested FT-D Delivery Contract Demand set out in the FT-D Open Season Bid Form, prospective customer may reduce the FT-D Delivery Contract Demand to a quantity not less than the capacity awarded through such Interconnecting Pipeline Open Season.

## **2.4 Awarding of FT-D Existing Capacity**

Subject to paragraphs 2.3 and 2.5, FT-D Existing Capacity shall be awarded to the prospective customers whose bids are accepted by Company as follows:

- (a) Company shall rank the bids in descending priority based on the following criteria:
  - (i) first, on the basis of the per unit product of the current FT-D Demand Rate multiplied by the requested term (where the bid with the highest per unit product shall have the higher priority); and
  - (ii) second, by the Service Commencement Date (where the bid with the earlier Service Commencement Date shall have the higher priority).
- (b) Subject to subparagraph 2.4(d), Company shall award FT-D Existing Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 2.4(a), until all the bids have been processed or until all FT-D Existing Capacity has been awarded;
- (c) Subject to subparagraph 2.4(d), if two or more bids have the same priority and the FT-D Existing Capacity is not sufficient to provide the total FT-D Delivery Contract Demand, then the FT-D Existing Capacity shall be awarded to such bids on a pro rata basis based on the Delivery Contract Demand of each bid;

- (d) If the FT-D Existing Capacity to be awarded to a bid as determined by Company in either subparagraph 2.4(b) or subparagraph 2.4(c) is less than the minimum FT-D Delivery Contract Demand as set out in such FT-D Open Season Bid Form, that bid shall be deemed to be rejected by Company and no FT-D Existing Capacity shall be awarded to such bid. The remaining FT-D Existing Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 2.4(a), until all the bids have been processed or until all FT-D Existing Capacity has been awarded; and
- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards FT-D Existing Capacity to such prospective customers. Company shall give Notice to such prospective customers who have been awarded FT-D Existing Capacity within 3 Banking Days from the Closing Date.
- (f) If Company offers FT-D Existing Capacity and FT-LE Capacity concurrently in one open season, Company shall rank and award bids for both FT-D Existing Capacity and FT-LE Capacity pursuant to paragraph 6.4.

## **2.5 Requirements for FT-D Existing Capacity**

Where Company awards FT-D Existing Capacity to a prospective customer pursuant to paragraph 2.4, such prospective customer shall, at the request of Company:

- (a) execute, within the time period specified by Company, a Service Agreement and Schedule of Service under Rate Schedule FT-D for such FT-D Existing Capacity;
- (b) provide sufficient financial information to demonstrate its creditworthiness; and
- (c) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

**2.6 FT-D Daily Open Season****2.6.1 Posting of FT-D Existing Capacity for FT-D Daily Open Season**

If on any Banking Day (excluding statutory holidays in the United States), Company determines there is FT-D Existing Capacity available that has not been awarded by Company pursuant to paragraph 2.4, Company shall post on the Website (the “FT-D Daily Open Season”) the following:

- (a) the quantity of FT-D Existing Capacity available at the Group 1 Delivery Point; and
- (b) the date such FT-D Existing Capacity will be available.

If all or a portion of such FT-D Existing Capacity has not been awarded pursuant to subparagraph 2.6.3, such FT-D Existing Capacity shall be deemed to be re-posted by Company on each subsequent Banking Day (excluding statutory holidays in the United States) until such FT-D Existing Capacity is awarded pursuant to subparagraph 2.6.3 or until Company holds an FT-D Existing Capacity Open Season pursuant to paragraph 2.1 or an FT-D Expansion Capacity Open Season pursuant to paragraph 3.1.

If, at any time, Company determines that it will hold an FT-D Existing Capacity Open Season pursuant to paragraph 2.1 or an FT-D Expansion Capacity Open Season pursuant to paragraph 3.1, Company may reduce all or a portion of the FT-D Existing Capacity available for the FT-D Daily Open Season. Company shall provide Notice on the Website, at least 3 Banking Days in advance, of any such reduction. If all FT-D Existing Capacity has not been awarded pursuant to 2.6.3, Company may offer any remaining FT-D Existing Capacity as FT-D Expansion Capacity pursuant to paragraph 3.1.

**2.6.2 FT-D Daily Open Season Bid Process**

If Company posts FT-D Existing Capacity pursuant to subparagraph 2.6.1, prospective customers may bid for such FT-D Existing Capacity on the day that the FT-D Existing Capacity is posted or deemed to be re-posted as follows:

- (a) Prospective customers shall submit a completed and unedited bid form, in the form set out in article 8.0 (the “FT-D Daily Open Season Bid Form”);
- (b) The requested term of Service, as established by the Service Commencement Date and requested Service Termination Date, each set out on the FT-D Daily Open Season Bid Form, shall be a minimum term of one year;
- (c) All bids shall be irrevocable and must be received by Company by 11:00 hours CCT on the day the FT-D Existing Capacity is posted or deemed re-posted;
- (d) No deposit is required to accompany the prospective customer’s bid;
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit an FT-D Daily Open Season Bid Form for a quantity greater than the FT-D Existing Capacity being offered or submit multiple bids where the aggregate FT-D Delivery Contract Demand of the multiple bids exceeds the FT-D Existing Capacity being offered; and
- (f) Company shall not be obligated to accept any bid if:
  - (i) the Service Commencement Date is within 5 Banking Days of the date such FT-D Existing Capacity is posted or deemed re-posted;
  - (ii) the Service Commencement Date of such bid is more than 12 months from the date such FT-D Existing Capacity is posted or deemed re-posted; and



- (iii) the prospective customer has not met the criteria set forth in paragraph 2.6.

### **2.6.3 Awarding of FT-D Existing Capacity for FT-D Daily Open Season**

Subject to subparagraph 2.6.4, FT-D Existing Capacity shall be awarded each day to the prospective customers whose bids are accepted by Company as follows:

- (a) Company shall rank the bids in descending priority based on the following criteria:
  - (i) first, on the basis of the per unit product of the current FT-D Demand Rate multiplied by the requested term (where the bid with the highest per unit product shall have the higher priority); and
  - (ii) second, by the Service Commencement Date (where the bid with the earlier Service Commencement Date shall have the higher priority).
- (b) Subject to subparagraph 2.6.3(d), Company shall award FT-D Existing Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 2.6.3(a), until all the bids have been processed or until all FT-D Existing Capacity has been awarded;
- (c) Subject to subparagraph 2.6.3(d), if two or more bids have the same priority and the FT-D Existing Capacity is not sufficient to provide the total FT-D Delivery Contract Demand, then the FT-D Existing Capacity shall be awarded to such bids on a pro rata basis based on the FT-D Delivery Contract Demand of each bid;
- (d) If the FT-D Existing Capacity to be awarded to a bid as determined by Company in either subparagraph 2.6.3(b) or paragraph 2.6.3(c) is less than the minimum FT-D Delivery Contract Demand as set out in such FT-D Daily Open Season Bid Form, that bid shall be deemed to be rejected by

Company and no FT-D Existing Capacity shall be awarded to such bid.

The remaining FT-D Existing Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 2.6.3(a), until all the bids have been processed or until all FT-D Existing Capacity has been awarded; and

- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards FT-D Existing Capacity to such prospective customers. Company shall give Notice to such prospective customers who have been awarded FT-D Existing Capacity within 2 Banking Days from the date such FT-D Existing Capacity is posted or deemed re-posted.

#### **2.6.4 Requirements for FT-D Existing Capacity**

Where Company awards FT-D Existing Capacity to a prospective customer pursuant to subparagraph 2.6.3, such prospective shipper shall, at the request of Company:

- (a) execute, within the time period specified by Company, a Service Agreement and Schedule of Service under Rate Schedule FT-D, for such FT-D Existing Capacity;
- (b) provide sufficient financial information to demonstrate its creditworthiness; and
- (c) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

### **3.0 PROCEDURES FOR ACCESS TO FT-D EXPANSION CAPACITY**

#### **3.1 Posting of FT-D Expansion Capacity**

If Company determines that demand for Service under Rate Schedule FT-D may be sufficient to consider expansion of existing Facilities (“FT-D Expansion Capacity”), Company shall provide Notice on the Website of the open season for such FT-D Expansion Capacity (the “FT-D Expansion Capacity Open Season”). At least 3 Banking Days after such Notice (excluding statutory holidays in the United States), Company shall post on the Website:

- (a) the date such FT-D Expansion Capacity may be available; and
- (b) the closing date for such FT-D Expansion Capacity Open Season (the “FT-D Expansion Closing Date”).

An FT-LE Capacity Open Season pursuant to article 6.0 may be held by Company concurrently with an FT-D Expansion Capacity Open Season.

#### **3.2 FT-D Expansion Capacity Bid Process**

If Company posts FT-D Expansion Capacity pursuant to Paragraph 3.1, prospective customers may bid for such FT-D Expansion Capacity, on any Banking Day up to and including the FT-D Expansion Closing Date, as follows:

- (a) Prospective customers shall submit a completed and unedited FT-D Open Season Bid Form set out in article 7.0;
- (b) The requested term of Service, as established by the Service Commencement Date and the requested Service Termination Date, each set out in the FT-D Open Season Bid Form, shall be a minimum term of 8 years;
- (c) All bids shall be irrevocable and must be received by Company by 11:00 hours CCT on the FT-D Expansion Closing Date;

- (d) Within 2 Banking Days of the FT-D Expansion Closing Date, prospective customers, except those who are also Customers receiving Service, other than Service under Rate Schedule IT-S or Rate Schedule FT-X, shall provide to Company for each FT-D Open Season Bid Form, a deposit equal to the lesser of:
- (i) one month demand charges for the FT-D Delivery Contract Demand set out on the FT-D Open Season Bid Form; or
  - (ii) \$10,000.

The deposit, if provided, shall be refunded to unsuccessful bidders within 5 Banking Days from the date the Service Agreements and Schedules of Service under Rate Schedule FT-D are executed for all FT-D Expansion Capacity posted in the FT-D Expansion Capacity Open Season.

If Company awards FT-D Expansion Capacity to a prospective customer and such customer executes the Service Agreement and Schedule of Service under Rate Schedule FT-D for such FT-D Expansion Capacity, the deposit, if provided, will be credited to the bill for the first month of Service or returned to the Customer if requested.

If Company awards FT-D Expansion Capacity to a prospective customer who is also a Customer receiving Service, other than Service under Rate Schedule IT-S or Rate Schedule FT-X, and such prospective customer fails to meet the requirements for FT-D Expansion Capacity set out in paragraph 3.5, the FT-D Expansion Capacity awarded to such prospective customer shall be withdrawn and such prospective customer shall pay Company an amount equal to the lesser of:

- (i) one month demand charges for the FT-D Delivery Contract Demand set out on the FT-D Open Season Bid Form; or
- (ii) \$10,000.

- (e) Company shall not be obligated to accept any bid if:
  - (i) the Service Commencement Date is different from the date such FT-D Expansion Capacity may be available, as set out by Company in subparagraph 3.1(a); and
  - (ii) the prospective customer has not met the criteria set forth in article 3.0.

### **3.3 Conditional Bids**

- 3.3.1** If a prospective customer's bid is subject to the condition set out in paragraph 8 of the FT-D Open Season Bid Form that such prospective customer has been awarded capacity through an Interconnecting Pipeline Open Season, Customer shall within 5 Banking Days from the FT-D Expansion Closing Date provide Notice to Company that either the condition has been satisfied or waived. If such prospective customer fails to provide Company with such Notice, the condition shall be deemed satisfied and Company may award FT-D Expansion Capacity to such prospective customer pursuant to paragraph 3.4.
- 3.3.2** If the capacity awarded to a prospective customer through an Interconnecting Pipeline Open Season is less than the requested FT-D Delivery Contract Demand set out in the FT-D Open Season Bid Form, prospective customer may reduce the FT-D Delivery Contract Demand to a quantity not less than the capacity awarded through such Interconnecting Pipeline Open Season.

### **3.4 Awarding of FT-D Expansion Capacity**

Subject to paragraphs 3.3 and 3.5, FT-D Expansion Capacity shall be awarded to the prospective customers whose bids are accepted by Company as follows:

- (a) Company shall rank the bids in descending priority on the basis of the per unit product of the current FT-D Demand Rate multiplied by the requested term (where the bid with the highest per unit product shall have the higher priority);

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- (b) Subject to subparagraph 3.4(d), Company shall award FT-D Expansion Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 3.4(a), until all the bids have been processed or until all FT-D Expansion Capacity has been awarded;
  - (c) Subject to subparagraph 3.4(d), if two or more bids have the same priority and the FT-D Expansion Capacity is not sufficient to provide the total FT-D Delivery Contract Demand, then the FT-D Expansion Capacity shall be awarded to such bids on a pro rata basis based on the FT-D Delivery Contract Demand of each bid;
  - (d) If the FT-D Expansion Capacity to be awarded to a bid as determined by Company in either subparagraph 3.4(b) or subparagraph 3.4(c) is less than the minimum FT-D Delivery Contract Demand as set out in such FT-D Open Season Bid Form, that bid shall be deemed to be rejected by Company and no FT-D Expansion Capacity shall be awarded to such bid. The remaining FT-D Expansion Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 3.4(a), until all the bids have been processed or until all FT-D Expansion Capacity has been awarded; and
  - (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards FT-D Expansion Capacity to such prospective customers. Company shall give Notice to such prospective customers who have been awarded FT-D Expansion Capacity within 10 Banking Days from the FT-D Expansion Closing Date.
  - (f) If Company offers FT-D Expansion Capacity and FT-LE Capacity concurrently in one open season, Company shall rank and award bids for both FT-D Expansion Capacity and FT-LE Capacity pursuant to paragraph 6.4.

**3.5 Requirements for FT-D Expansion Capacity**

Where Company awards FT-D Expansion Capacity to a prospective customer pursuant to paragraph 3.4, such prospective shipper shall, at the request of Company:

- (a) execute, within the time period specified by Company, a Service Agreement and Schedule of Service under Rate Schedule FT-D, for such FT-D Expansion Capacity;
- (b) provide sufficient financial information to demonstrate its creditworthiness; and
- (c) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

**4.0 PROCEDURES FOR ACCESS TO FT-DW CAPACITY****4.1 Posting of FT-DW Capacity**

If Company determines that capacity is available or may become available for Service under Rate Schedule FT-DW that does not require new Facilities (“FT-DW Capacity”), Company shall provide Notice on the Website of the open season for such FT-DW Capacity (the “FT-DW Capacity Open Season”). At least 3 Banking Days (excluding statutory holidays in the United States) after such Notice, Company shall post on the Website:

- (a) the quantity of FT-DW Capacity available at the Group 1 Delivery Point;
- (b) the date such FT-DW Capacity will be available; and
- (c) the Closing Date for such FT-DW Capacity Open Season.

**4.2 FT-DW Capacity Bid Process**

If Company posts FT-DW Capacity pursuant to paragraph 4.1, prospective customers may bid for such FT-DW Capacity, on any Banking Day up to and including the Closing Date, as follows:

- (a) Prospective customers shall submit a bid for such FT-DW Capacity in the form of a completed and unedited FT-DW Service Agreement and Schedule of Service attached as Exhibit “A” to the FT-DW Service Agreement;
- (b) The term of Service shall be the term as set out in Rate Schedule FT-DW;
- (c) All bids shall be irrevocable and must be received by Company by 11:00 hours CCT on the Closing Date;
- (d) No deposit is required to accompany the prospective customer’s bid;
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit a Schedule of Service for a quantity greater than the FT-DW Capacity being offered or submit multiple bids where the aggregate maximum FT-DW Capacity of the multiple bids exceeds the FT-DW Capacity being offered; and
- (f) Company shall not be obligated to accept any bid if:
  - (i) the Service Commencement Date does not match the date such FT-DW Capacity is available as set out in the FT-DW Capacity Open Season Notice; and
  - (ii) the prospective customer has not met the criteria set forth in article 4.0.

**4.3 Awarding of FT-DW Capacity**

Subject to paragraph 4.4, FT-DW Capacity shall be awarded to the prospective customers whose bids are accepted by Company as follows:



- (a) Company shall rank the bids in descending priority on the basis of the FT-DW Bid Price (where the bid with the highest bid price shall have the higher priority);
- (b) Subject to subparagraph 4.3(d), Company shall award FT-DW Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 4.3(a), until all the bids have been processed or until all FT-DW Capacity has been awarded;
- (c) Subject to subparagraph 4.3(d), if two or more bids have the same priority and the FT-DW Capacity is not sufficient to provide the total maximum FT-DW Capacity, then the FT-DW Capacity shall be awarded to such bids on a pro rata basis based on the maximum FT-DW Capacity of each bid;
- (d) If the FT-DW Capacity to be awarded to a bid as determined by Company in either subparagraph 4.3(b) or subparagraph 4.3(c) is less than the minimum FT-DW Capacity as set out in such Schedule of Service, that bid shall be deemed to be rejected by Company and no FT-DW Capacity shall be awarded to such bid. The remaining FT-DW Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 4.3(a), until all the bids have been processed or until all FT-DW Capacity has been awarded; and
- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards FT-DW Capacity to such prospective customers. Company shall give Notice to such prospective customers who have been awarded FT-DW Capacity within 3 Banking Days from the Closing Date.

#### **4.4 Requirements for FT-DW Capacity**

Where Company awards FT-DW Capacity to a prospective customer pursuant to paragraph 4.3, such prospective customer shall, at the request of Company:

- (a) provide sufficient financial information to demonstrate its creditworthiness; and

- (b) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

## **5.0 PROCEDURES FOR ACCESS TO STFT CAPACITY**

### **5.1 Posting of STFT Capacity**

If Company determines that capacity is available or may become available for Service under Rate Schedule STFT that does not require new Facilities (“STFT Capacity”), Company shall provide Notice on the Website of the open season for such STFT Capacity (the “STFT Capacity Open Season”). At least 3 Banking Days (excluding statutory holidays in the United States) after such Notice, Company shall post on the Website:

- (a) the quantity of STFT Capacity available at the Group 1 Delivery Point;
- (b) the date such STFT Capacity will be available;
- (c) the Months such STFT Capacity is available; and
- (d) the Closing Date for such STFT Capacity Open Season.

### **5.2 STFT Capacity Bid Process**

If Company posts STFT Capacity pursuant to paragraph 5.1, prospective customers may bid for such STFT Capacity, on any Banking Day up to and including the Closing Date, as follows:

- (a) Prospective customers shall submit a bid for such available STFT Capacity in the form of a completed and unedited Schedule of Service attached as Exhibit “A” to the STFT Service;
- (b) The requested term of Service, as established by the requested Service Commencement Date and requested Service Termination Date, each set out on the

Schedule of Service, shall be a minimum term of 7 days and a maximum term of one year less one day and shall end on the last day of a Month;

- (c) All bids must be received by Company by 11:00 hours CCT on the Closing Date and shall be irrevocable at that time;
- (d) No deposit is required to accompany the prospective customer's bid;
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit a Schedule of Service for a quantity greater than the STFT Capacity being offered or submit multiple bids where the aggregate maximum STFT Capacity of the multiple bids exceeds the STFT Capacity being offered; and
- (f) Company shall not be obligated to accept any bid if:
  - (i) the Service Commencement Date is within 5 Banking Days of the Closing Date;
  - (ii) the prospective customer has not met the criteria set forth in article 5.0.

### **5.3 Awarding of STFT Capacity**

Subject to paragraph 5.4, STFT Capacity shall be awarded to the prospective customers whose bids are accepted by Company as follows:

- (a) Company shall rank the bids in descending priority based on the following criteria:
  - (i) first, on the basis of the per unit product of the STFT Bid Price multiplied by the requested term (where the bid with the highest per unit product shall have the higher priority); and
  - (ii) second, by the Service Commencement Date (where the bid with the earlier Service Commencement Date shall have the higher priority).

- (b) Subject to subparagraph 5.3(e), Company shall award STFT Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 5.3(a), until all the bids have been processed or until all STFT Capacity has been awarded;
- (c) Subject to subparagraph 5.3(e), if two or more bids have the same priority and the STFT Capacity is not sufficient to provide the total maximum STFT Capacity, then the STFT Capacity shall be awarded to such bids on a pro rata basis based on the maximum STFT Capacity of each bid;
- (d) No deposit is required to accompany the prospective customer's bid;
- (e) If the STFT Capacity to be awarded to a bid as determined by Company in either subparagraph 5.3(b) or subparagraph 5.3(c) is less than the minimum STFT Capacity as set out in such Schedule of Service, that bid shall be deemed to be rejected by Company and no STFT Capacity shall be awarded to such bid. The remaining STFT Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 5.3(a), until all the bids have been processed or until all STFT Capacity has been awarded; and
- (f) Company shall be deemed to have accepted the bids of prospective customers when Company awards Capacity to such prospective customers. Company shall give Notice to such prospective customers who have been awarded Capacity within 3 Banking Days from the Closing Date.

#### **5.4 Requirements for STFT Capacity**

Where Company awards STFT Capacity to a prospective customer pursuant to paragraph 5.3, such prospective customer shall, at the request of Company:

- (a) provide sufficient financial information to demonstrate its creditworthiness; and

- (b) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

## **5.5 STFT Daily Open Season**

### **5.5.1 Posting of Capacity for STFT Daily Open Season**

If on any Banking Day (excluding statutory holidays in the United States), Company determines there is STFT Capacity available that has not been awarded by Company pursuant to paragraph 5.3, Company shall post on the Website (the “STFT Daily Open Season”) the following:

- (a) the quantity of STFT Capacity available at the Group 1 Delivery Point;
- (b) the date such STFT Capacity will be available; and
- (c) the Months such STFT Capacity is available.

If all or a portion of such STFT Capacity has not been awarded pursuant to subparagraph 5.5.3, such STFT Capacity shall be deemed to be re-posted by Company on each subsequent Banking Day (excluding statutory holidays in the United States) until such STFT Capacity is awarded pursuant to subparagraph 5.5.3 or until Company holds an FT-D Existing Capacity Open Season pursuant to paragraph 2.1 or a STFT Capacity Open Season pursuant to paragraph 5.1.

If, at any time, Company determines that it will hold an FT-D Existing Capacity Open Season pursuant to paragraph 2.1 or a STFT Capacity Open Season pursuant to paragraph 5.1, Company may reduce all or a portion of the STFT Capacity available for the STFT Daily Open Season. Company shall provide Notice on the Website, at least 3 Banking Days in advance, of any such reduction.

**5.5.2 STFT Daily Open Season Bid Process**

If Company posts STFT Capacity pursuant to subparagraph 5.5.1, prospective customers may bid for such STFT Capacity on the day that the STFT Capacity is posted or deemed to be re-posted as follows:

- (a) Prospective customers shall submit a bid for such available STFT Capacity in the form of a completed and unedited Schedule of Service attached as Exhibit “A” to the STFT Service Agreement;
- (b) The requested term of Service, as established by the requested service commencement date (the “Service Commencement Date”) and requested Service Termination Date, each set out on the Schedule of Service, shall be a minimum term of one week and a maximum of one year less one day and shall end on the last day of a Month;
- (c) All bids must be received by Company by 11:00 hours CCT on the day the STFT Capacity is posted or deemed re-posted and shall be irrevocable at that time;
- (d) No deposit is required to accompany the prospective customer’s bid;
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit a Schedule of Service for a quantity greater than the STFT Capacity being offered or submit multiple bids where the aggregate maximum STFT Capacity of the multiple bids exceeds the STFT Capacity being offered; and
- (f) Company shall not be obligated to accept any bid if:
  - (i) the Service Commencement Date is within 5 Banking Days of the date such FT-D Existing Capacity is posted or deemed re-posted;

- (ii) the prospective customer has not met the criteria set forth in paragraph 5.5.

### **5.5.3 Awarding of Capacity for STFT Daily Open Season**

Subject to subparagraph 5.5.4, STFT Capacity shall be awarded each day to the prospective customers whose bids are accepted by Company as follows:

- (a) Company shall rank the bids in descending priority based on the following criteria:
  - (i) first, on the basis of the per unit product of the STFT Bid Price multiplied by the requested term (where the bid with the highest per unit product shall have the higher priority); and
  - (ii) second, by the Service Commencement Date (where the bid with the earlier Service Commencement Date shall have the higher priority).
- (b) Subject to subparagraph 5.5.3(d), Company shall award STFT Capacity to the bids in sequential order, based on the priority established pursuant to subparagraph 5.5.3(a), until all the bids have been processed or until all STFT Capacity has been awarded;
- (c) Subject to subparagraph 5.5.3(d), if two or more bids have the same priority and the STFT Capacity is not sufficient to provide the total maximum STFT Capacity, then the STFT Capacity shall be awarded to such bids on a pro rata basis based on the maximum STFT Capacity of each bid;
- (d) If the STFT Capacity to be awarded to a bid as determined by Company in either subparagraph 5.5.3(b) or paragraph 5.5.3(c) is less than the minimum STFT Capacity as set out in such Schedule of Service, that bid shall be deemed to be rejected by Company and no STFT Capacity shall

be awarded to such bid. The remaining STFT Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 5.5.3(a), until all the bids have been processed or until all STFT Capacity has been awarded; and

- (e) Company shall be deemed to have accepted the bids of prospective customers when Company awards STFT Capacity to such prospective customers. Company shall give Notice to such prospective customers who have been awarded STFT Capacity within 2 Banking Days from the date such FT-D Existing Capacity is posted or deemed re-posted.

#### **5.5.4 Requirements for STFT Capacity**

Where Company awards FT-D Existing Capacity to a prospective customer pursuant to subparagraph 5.5.3, such prospective shipper shall, at the request of Company:

- (a) provide sufficient financial information to demonstrate its creditworthiness; and
- (b) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

### **6.0 PROCEDURES FOR ACCESS TO FT-LE CAPACITY**

#### **6.1 Posting of FT-LE Capacity**

If Company determines that capacity is available or may become available for Service under Rate Schedule FT-LE that does not require new Facilities, or demand for Service under Rate Schedule FT-LE may be sufficient to consider expansion of existing Facilities (“FT-LE Capacity”), Company shall provide Notice on the Website of the open season for such FT-LE Capacity (the “FT-LE Capacity Open Season”). At least 3 Banking Days



(excluding statutory holidays in the United States) after such Notice, Company shall post on the Website:

- (a) the quantity of FT-LE Capacity available at the Group 1 Delivery Point;
- (b) the date such FT-LE Capacity will be available;
- (c) the Closing Date for such FT-LE Capacity Open Season; and
- (d) if applicable, information related to FT-LE Capacity available between various receipt locations and the Group 1 Delivery Point.

An FT-LE Capacity Open Season may be held by Company concurrently with an FT-D Existing Capacity Open Season pursuant to article 2.0 or FT-D Expansion Capacity Open Season pursuant to article 3.0.

## **6.2 FT-LE Capacity Bid Process**

If Company posts FT-LE Capacity pursuant to paragraph 6.1, prospective customers may bid for such FT-LE Capacity, on any Banking Day up to and including the Closing Date, as follows:

- (a) Prospective customers shall submit a completed and unedited bid form, in the form set out in article 9.0 (the “FT-LE Open Season Bid Form”);
- (b) The requested term of Service, as established by the requested Service Commencement Date and requested Service Termination Date, each set out on the FT-LE Open Season Bid Form, subject to a minimum term as outlined in Rate Schedule FT-LE;
- (c) All bids shall be irrevocable and must be received by Company by 11:00 hours CCT on the Closing Date;
- (d) Within 2 Banking Days of the Closing Date, prospective customers, except those who are also Customers receiving Service, other than Service under Rate

Schedule IT-S or Rate Schedule FT-X, shall provide to Company for each FT-LE Capacity Open Season Bid Form, a deposit equal to the lesser of:

- (i) one month demand charges for the FT-LE Contract Demand set out on the FT-LE Open Season Bid Form; or
- (ii) \$10,000.

The deposit, if provided, shall be refunded to unsuccessful bidders within 5 Banking Days from the date the Service Agreements and Schedules of Service under Rate Schedule FT-LE are executed for all FT-LE Capacity posted in the FT-LE Capacity Open Season.

If Company awards FT-LE Capacity to a prospective customer and such customer executes the Service Agreement and Schedule of Service under Rate Schedule FT-D for such FT-LE Capacity, the deposit, if provided, will be credited to the bill for the first month of Service or returned to the Customer if requested.

If Company awards FT-LE Capacity to a prospective customer who is also a Customer receiving Service, other than Service under Rate Schedule IT-S or Rate Schedule FT-X, and such prospective customer fails to meet the requirements for FT-LE Capacity set out in paragraph 6.5, the FT-LE Capacity awarded to such prospective customer shall be withdrawn and such prospective customer shall pay Company an amount equal to the lesser of:

- (i) one month demand charges for the FT-LE Contract Demand set out on the FT-LE Open Season Bid Form; or
  - (ii) \$10,000.
- (e) A prospective customer and/or its affiliate, either together or individually, shall not submit an FT-LE Open Season Bid Form for a quantity greater than the FT-LE Capacity being offered or submit multiple bids where the aggregate FT-LE

Contract Demand of the multiple bids exceeds the FT-LE Capacity being offered;  
and

- (f) Company shall not be obligated to accept any bid if:
  - (i) the Service Commencement Date is within 5 Banking Days of the Closing Date;
  - (ii) the Service Commencement Date is more than 12 months from the Closing Date for Service under Rate Schedule FT-LE that can be accommodated with existing capacity;
  - (iii) the Service Commencement Date is different from the date from the date expansion capacity may be available for Service under Rate Schedule FT-LE that requires new Facilities; and
  - (iv) the prospective customer has not met the criteria set forth in article 6.0.

### **6.3 Conditional Bids**

**6.3.1** If a prospective customer's bid is subject to the condition set out in paragraph 8 of the FT-LE Open Season Bid Form that such prospective customer has been awarded capacity at the Delivery Point through a direct interconnecting pipeline open season process (the "Interconnecting Pipeline Open Season"), Customer shall within 2 Banking Days from the FT-LE Capacity Open Season Closing Date provide Notice to Company that either the condition has been satisfied or waived. If such prospective customer fails to provide Company with such Notice, the condition shall be deemed satisfied and Company may award FT-LE Capacity to such prospective customer pursuant to paragraph 6.4.

**6.3.2** If the capacity awarded to a prospective customer through an Interconnecting Pipeline Open Season is less than the requested FT-LE Contract Demand set out in the FT-LE Open Season Bid Form, prospective customer may reduce the FT-

LE Contract Demand to a quantity not less than the capacity awarded through such Interconnecting Pipeline Open Season.

#### 6.4 Awarding of FT-LE Capacity

Subject to paragraphs 6.3 and 6.5, FT-LE Capacity and, if applicable, FT-D Existing Capacity or FT-D Expansion Capacity shall be ranked and awarded, as applicable, to the prospective customers whose bids are accepted by Company as follows:

- (a) Subject to subparagraph 6.4(e), Company shall rank the FT-LE Capacity and, if applicable, FT-D Existing Capacity or FT-D Expansion Capacity, bids in descending priority based on the following criteria:
  - (i) first, and subject to subparagraph (ii), on the basis of the per unit product of the current FT-D Demand Rate multiplied by the requested term (where the bid with the highest per unit product shall have the higher priority); and
  - (ii) second, and in the case of FT-LE Capacity and, if applicable, FT-D Existing Capacity by the Service Commencement Date (where the bid with the earlier Service Commencement Date shall have the higher priority).
- (b) Subject to subparagraph 6.4(d), Company shall award FT-LE Capacity and, if applicable, FT-D Existing Capacity or FT-D Expansion Capacity, to the bids in sequential order, based on the priority established pursuant to subparagraph 6.4(a), until all the bids have been processed or until all FT-LE Capacity and, if applicable, FT-D Existing Capacity or FT-D Expansion Capacity, has been awarded;
- (c) Subject to subparagraph 6.4(d), if two or more bids have the same priority and the FT-LE Capacity and, if applicable, FT-D Existing Capacity or FT-D Expansion Capacity, is not sufficient to provide the total FT-LE Contract Demand and FT-D Delivery Contract Demand, then the FT-LE Capacity and, if applicable, FT-D

Existing Capacity or FT-D Expansion Capacity, shall be awarded to such bids on a pro rata basis based on the FT-LE Contract Demand or FT-D Delivery Point Contract Demand of each bid;

- (d) If the FT-LE Capacity and, if applicable, FT-D Existing Capacity or FT-D Expansion Capacity, to be awarded to a bid as determined by Company in either subparagraph 6.4(b) or subparagraph 6.4(c) is less than the minimum FT-LE Contract Demand or FT-D Delivery Contract Demand as set out in such FT-LE Open Season Bid Form or FT-D Delivery Contract Demand as set out in such FT-D Open Season Bid Form, such bids shall be deemed to be rejected by Company and no FT-LE Capacity, FT-D Existing Capacity or FT-D Expansion Capacity shall be awarded to such bid. The remaining FT-LE Capacity, FT-D Existing Capacity or FT-D Expansion Capacity shall continue to be awarded sequentially to the remaining bids based on the priority established pursuant to subparagraph 6.4(a), until all the bids have been processed or until all FT-LE Capacity, FT-D Existing Capacity or FT-D Expansion Capacity has been awarded;
- (e) Company shall assess whether the combination of existing and expansion capacity are available to accommodate the bids for FT-LE Capacity at and from the requested Receipt Point(s), concurrently with the evaluation in subparagraph 6.4(a). Company may reject or reduce bids for the requested FT-LE Contract Demand based on Company's evaluation, subject to the minimum Contract Demand set out in the FT-LE Open Season Bid Form.
- (f) Company shall be deemed to have accepted the bids of prospective customers when Company awards FT-LE Capacity, FT-D Existing Capacity or FT-D Expansion Capacity to such prospective customers. Company shall give Notice to such prospective customers who have been awarded FT-LE Capacity, FT-D Existing Capacity or FT-D Expansion Capacity within the time outlined in the FT-LE Open Season and, if applicable, the FT-D Existing Capacity Open Season and FT-D Expansion Capacity Open Season postings.

**6.5 Requirements for FT-LE Capacity**

Where Company awards FT-LE Capacity to a prospective customer pursuant to paragraph 6.4, such prospective customer shall, at the request of Company:

- (a) execute, within the time period specified by Company, a Service Agreement and Schedule of Service under Rate Schedule FT-LE for such FT-LE Capacity;
- (b) provide sufficient financial information to demonstrate its creditworthiness; and
- (c) provide a Financial Assurance to Company pursuant to paragraph 10.1 of the General Terms and Conditions.

**7.0 FT-D EXISTING CAPACITY / FT-D EXPANSION CAPACITY OPEN SEASON  
BID FORM**

1. Customer: \_\_\_\_\_
2. Group 1 Delivery Point: \_\_\_\_\_
3. FT-D Delivery Contract Demand: \_\_\_\_\_ GJ/d
4. Minimum FT-D Delivery Contract Demand: \_\_\_\_\_ GJ/d
5. Service Commencement Date: \_\_\_\_\_  
(YYYY / MM / DD)
6. Requested Service Termination Date: \_\_\_\_\_  
(YYYY / MM / DD)
7. Deposit Amount: \$ \_\_\_\_\_ (CDN)
8. Is this bid subject to the following condition? ☐ yes / ☐ no

This bid is subject to the condition that customer has been awarded at least  
\_\_\_\_\_ GJ/d through the \_\_\_\_\_  
Interconnecting Pipeline Open Season held \_\_\_\_\_ to \_\_\_\_\_.

CUSTOMER: \_\_\_\_\_  
(signature)

\_\_\_\_\_

(name/title)

\_\_\_\_\_

(signature)

\_\_\_\_\_

(name/title)

**8.0 FT-D DAILY OPEN SEASON BID FORM**

1. Customer: \_\_\_\_\_
2. Group 1 Delivery Point: \_\_\_\_\_
3. FT-D Delivery Contract Demand: \_\_\_\_\_ GJ/d
4. Minimum FT-D Delivery Contract Demand: \_\_\_\_\_ GJ/d
5. Service Commencement Date: \_\_\_\_\_  
(YYYY / MM / DD)
6. Requested Service Termination Date: \_\_\_\_\_  
(YYYY / MM / DD)

CUSTOMER: \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(name/title)

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(name/title)



**9.0 FT-LE OPEN SEASON BID FORM**

1. Customer: \_\_\_\_\_
2. Group 1 Delivery Point: \_\_\_\_\_
3. FT-LE Contract Demand: \_\_\_\_\_ GJ/d
4. Minimum FT-LE Contract Demand: \_\_\_\_\_ GJ/d
5. FT-LE Service Receipt Points (up to 10)

Receipt Point		Requested Receipt Point Contract Demand (GJ/d)	Requested Minimum Receipt Point Contract Demand (GJ/d)	Requested Maximum Receipt Point Contract Demand (GJ/d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
<b>Total</b> (sum of Requested Receipt Point Contract Demand must equal FT-LE Contract Demand)				

6. Service Commencement Date: \_\_\_\_\_  
(YYYY / MM / DD)

7. Requested Service Termination Date: \_\_\_\_\_  
(YYYY / MM / DD)

8. Deposit Amount: \$ \_\_\_\_\_ (CDN)

9. Is this bid subject to the following condition? ☐ yes / ☐ no

This bid is subject to the condition that customer has been awarded at least  
\_\_\_\_\_ GJ/d at the Delivery Point through the \_\_\_\_\_  
\_\_\_\_\_ Interconnecting Pipeline Open Season held \_\_\_\_\_ to  
\_\_\_\_\_.

CUSTOMER:

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(name/title)

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(name/title)

**10.0 GENERAL TERMS AND CONDITIONS**

- 10.1** These terms and conditions are subject to the terms and conditions of Service set forth in the Tariff.