

TEMPORARY ASSIGNMENT
for GAS TRANSPORTATION CONTRACT

Made effective as of the _____ day of _____, 20____. (the "Assignment")

BETWEEN:

("Assignor")

OF THE FIRST PART

and

("Assignee")

OF THE SECOND PART

WITNESSES THAT:

WHEREAS Foothills Pipe Lines Ltd. ("Foothills") and Assignor are parties to a contract for firm transportation service made as of the ___ day of _____, year of _____, Contract No. _____ (the "Contract"); and

WHEREAS Assignee has requested that Assignor assign part of Assignor's rights and obligations as Shipper under the Contract and Assignor has agreed to do so subject to the terms and conditions of this Assignment.

NOW THEREFORE, THIS AGREEMENT WITNESSES THAT in consideration of the covenants and agreements herein set forth, the parties hereto covenant and agree as follows:

1. Subject to Paragraph 6 herein, during the operative term of this Assignment, Assignor does hereby grant, transfer, assign and set over unto Assignee, and Assignee accepts from Assignor, that portion of Assignor's service entitlement as Shipper under the Contract equal to _____ Gigajoules per day (the "Assigned Quantity"), together with the corresponding rights and obligations of Assignor as Shipper under the Contract.

2. Subject to Paragraphs 6 and 8 herein, during the operative term of this Assignment, Assignee hereby covenants and agrees that it shall perform and observe the covenants and obligations of Assignor as Shipper contained in the Contract insofar as they pertain to the Assigned Quantity, to the same extent as Assignee would be obligated so to do were Assignee a party to the Contract, as Shipper, with a service entitlement thereunder equal to the Assigned Quantity.

3. This Assignment shall be in full force and effect as of and from 08:00 hours on _____ (the "Date of First Delivery") (provided that, for the purposes of Assignee nominating service for the Date of First Delivery, this Assignment shall become effective as at 08:00 hours on the date immediately preceding the Date of First Delivery) and, subject to Paragraph 6 hereof, shall be operative for a term ending at 08:00 hours on _____. Notwithstanding the foregoing, the operative term of this Assignment shall not extend beyond the term of the Contract.

4. In the event that Assignee fails to comply with Paragraph 2 hereof, Assignor shall have the right to terminate this Assignment immediately which such termination shall take effect upon receipt by Assignee of a termination notice.

5. Assignor will request Foothills to acknowledge the assignment contained herein and to treat Assignee as Shipper with a service entitlement under the Contract equal to the Assigned Quantity during the operative term of this Assignment. Assignee hereby consents to such request and to such treatment, and for this purpose Assignee declares that all notices, nominations, requests, invoices, and other written communications may be given by Foothills to Assignee as follows:

(i) Mailing address:

(ii) Delivery address:

(iii) Nominations:

(iv) Invoices:

(v) Legal and Other:

6. Assignee acknowledges that Assignor will not seek Foothills' consent to this Assignment and that Assignor accordingly is and will remain obligated to Foothills to perform and observe the covenants and obligations of shipper that are contained in the Contract in regard to the Assigned Quantity insofar as Foothills is concerned. Without limiting the generality of the foregoing, the Assignor and the Assignee acknowledge that the Assignor shall remain responsible for all gas imbalances associated with the Assigned Quantity and/or the Contract. Consequently, Assignee shall indemnify Assignor for and hold Assignor harmless from all charges that Foothills may be entitled to collect from Assignor under the Contract in regard to the Assigned Quantity in the event that Assignee fails to pay them.

7. Assignee shall be entitled to sub-assign all or part of the Assigned Quantity, together with the corresponding rights and obligations under the Contract, to a third party by assigning all or part of its rights and obligations under this Assignment; provided that no such assignment shall relieve Assignee of its obligations to Assignor hereunder without Assignor's prior written consent, which consent shall not be unreasonably withheld. Notwithstanding any such sub-assignment or sub-assignments, Assignor is and will remain obligated to Foothills to perform and observe the covenants and obligations of shipper that are contained in the Contract in regard to the Assigned Quantity insofar as Foothills is concerned.

8. Notwithstanding anything to the contrary herein set forth or implied, Assignor reserves and retains for itself exclusively any option or right to renew or otherwise extend the operative term of the Contract which may be contained in or granted by the Contract.

9. The Assignee agrees to provide to Assignor as a condition to effectiveness of this Assignment, evidence of all requisite regulatory approvals, including export or import approvals, and evidence of upstream and downstream transportation arrangements.

10. Assignee acknowledges that it has (or may obtain directly from Foothills) a copy of the Foothills Pipe Lines Ltd. Gas Transportation Tariff.

11. This Assignment and the rights and obligations of the parties hereunder are subject to all valid and applicable present and future laws, rules, regulations, and orders of any governmental or regulatory authority having jurisdiction or control over the parties hereto to either of them, or over the Contract.

12. This Assignment shall be construed in accordance with and governed by the laws of the Province of Alberta and the laws of Canada applicable therein.

13. This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

14. If the Assignee wants Foothills to charge 0% GST or 0% HST on any gas transportation charges for the Assigned Quantity, Assignee shall provide Assignor and Foothills with an executed declaration in the form attached as Exhibit 'A'.

IN WITNESS WHEREOF the parties hereto have duly executed and delivered this Assignment as of the day, month, and year first above written.

Assignor

Assignee

By: _____

By: _____

Name: _____
(please print in full)

Name: _____
(please print in full)

Title: _____

Title: _____

By: _____

By: _____

Name: _____
(please print in full)

Name: _____
(please print in full)

Title: _____

Title: _____

EXHIBIT 'A' - DECLARATION

to Zero Rate Goods and Services Tax ("GST") and Harmonized Sales Tax ("HST")
("Declaration") as applicable for the Temporary Assignment

dated _____ for Foothills' Contract No. _____

In consideration of Foothills charging 0% GST or 0% HST on any gas transportation charges for the Assigned Quantity under the Assignment, Assignee hereby represents, warrants and covenants during the term of the Temporary Assignment, that:

1. All gas under such Temporary Assignment shall be shipped for export to the United States, unless Assignee indicates otherwise in the Zero Rate GST or HST data element on its daily nomination, and the gas transportation service to be supplied by Foothills is part of a continuous outbound freight movement (within the meaning of Part VII of Schedule VI to the *Excise Tax Act*) in respect of the gas. Assignee has arranged to either:
 - a. Transfer custody of the gas to an American pipeline carrier at the Canada-United States border, or
 - b. While the gas is in the custody of Foothills or another Canadian pipeline carrier, transfer the gas to the account of another shipper who has undertaken in writing to transfer custody of the gas to an American pipeline carrier at the Canada-United States border.

Assignee acknowledges and agrees that Foothills will charge 0% GST or 0% HST on any gas transportation charges for gas shipped for export under such Temporary Assignment including without limitation any unutilized demand charges.

2. Shipper shall be liable to and shall indemnify and hold harmless Foothills for any expenses, costs, (including legal costs on a solicitor and his own client basis) taxes, penalties or interest which may be incurred by or assessed against Foothills as a result of this Declaration or Foothills charging 0% GST or 0% HST on any gas transportation charges under the Temporary Assignment including without limitation any unutilized demand charges.
3. If at any time Assignee no longer intends that the gas under a Temporary Assignment is to be shipped to the United States, Assignee shall immediately provide written notice to Assignor and Foothills of such change.
4. This Declaration is valid, binding upon and enforceable against the Shipper.
5. This Declaration is made by the Shipper with full knowledge that Foothills is relying on it and Shipper acknowledges and agrees that absent such Declaration, Foothills would charge the current applicable GST or HST rate as set by the Canada Revenue Agency on all gas transportation charges under the Temporary Assignments including without limitation any unutilized demand charges.

IN WITNESS WHEREOF Declaration is made effective the ___ day of _____, 200 ____.

Assignee: _____

Per: _____

Per: _____

c.c. TransCanada PipeLines Limited - --Contracts & Billing
Fax : (403) 920- 2303 (primary) or (403) 920- 2437 alternate