

The following is a summary of amendments to the Foothills Pipe Lines Ltd. Gas Transportation Tariffs (Tariffs), which is provided for information only and is not intended to form part of the Tariffs.

1. Within the Gas Transportation Tariff for **Foothills Pipe Lines Ltd.**

a) General Terms and Conditions

(i) Revised Definition 1.52 – aligned across Tariffs;

(ii) Articles 5.1(b) and 5.8.3(b) – corrected references;

b) Capacity Allocation Procedures, Article 4.1.2(b) – corrected word error; and

c) *Pro Forma* Service Agreements FT, IT, SGS and STFT, Articles 4.4 and 4.5 – corrected references.

2. Within the Gas Transportation Tariffs for:

Foothills Pipe Lines (Alta.) Ltd.;

Foothills Pipe Lines (Sask.) Ltd.; and

Foothills Pipe Lines (South B.C.) Ltd.

a) General Terms and Conditions – aligned definitions and provisions across Tariffs; and

b) *Pro Forma* Service Agreement, Articles 4.3 and 4.4 – corrected references.

- 1.48** “Line Pack Change” shall mean for any period the difference between the total quantity of line pack gas contained in a Zone of Company’s pipeline at the beginning and end of such period, as computed by Subsidiary Company.
- 1.49** “Line Pack” for any Zone at any time shall mean that quantity of gas which is calculated by Subsidiary Company as the total quantity of gas required as line pack for the efficient operation of its pipeline in such Zone.
- 1.50** “Low Intervention Trade Transaction” shall have the meaning attributed to it in G-14, as may be amended from time to time.
- 1.51** “Make-Up Gas” shall have the meaning attributed to it in subsection 9.2 of the Rate Schedule FT, Firm Transportation Service.
- 1.52** “Maximum Daily Delivery Quantity” or “MDDQ” shall mean, relative to a Delivery Point of Shipper for any day, the quantity of gas, as specified in Appendix A to such of Shipper’s Service Agreement.
- 1.53** “MC” shall mean Measurement Canada, an Agency of Industry Canada.
- 1.54** “mg” shall mean milligram(s) as defined by The International System of Units (SI).
- 1.55** “Minimum Term” shall have the meaning attributed to it in subsection 3.3.1 of the Capacity Allocation Procedures.
- 1.56** “Month” shall mean a period of time beginning at 09:00 CCT on the first day of a calendar month and ending at 09:00 CCT on the first day of the next calendar month.
- 1.57** “National Energy Board” or “NEB” or “Board” shall mean the National Energy Board of Canada or any other tribunal which may hereafter exercise the functions now exercised by that Board with respect to the regulation of gas pipelines.
- 1.58** “New Facilities” shall have the meaning attributed to it in subsection 3.3.1 of the Capacity Allocation Procedures.

5. BILLING AND PAYMENT

5.1 Billing

On or before the 9th Banking Day of each month Company shall provide to Shipper a bill for the preceding month. Such bill shall reflect:

- (a) any amount payable by Shipper for the immediately preceding month for service provided under Rate Schedule FT, Firm Transportation Service, Rate Schedule STFT, Short Term Firm Transportation Service, Rate Schedule SGS, Small General Service and Rate Schedule IT, Interruptible Transportation Service;
- (b) any billing adjustments to which Shipper is entitled or liable in respect of the second preceding month pursuant to subsection 9.6-4 of Rate Schedule FT, Firm Transportation Service or subsection 8.59.2 of Rate Schedule STFT, Short Term Firm Transportation Service;
- (c) any amount payable by Shipper in respect of the second preceding month for service provided under Rate Schedule OT, Overrun Transportation Service; and
- (d) other charges or credits to Shipper hereunder.

When information necessary for billing by Company is in control of Shipper, Shipper shall furnish such information to Company on or before the fifth day of the month in connection with services rendered during the prior month. Information used for billing may be actual or best available data. If actual information necessary for billing is unavailable to Company sufficiently in advance of the ninth Banking Day of the month to permit the use of such information in the preparation of a bill, Company shall use best available data. In the month that actual information becomes available respecting a previous month where best available data was used, the bill for the month in which the information became available shall be adjusted to reflect the difference between the actual and best available data. Neither Company nor Shipper shall be entitled to interest on any adjustment.

If Shipper fails to provide such Financial Assurance during such suspension, Company may, in addition to any other remedy that may be available to it, upon four (4) Banking Days written notice to Shipper immediately:

- (a) terminate any or all service being or to be provided to Shipper under any Service Agreement; and
- (b) declare any and all amounts payable now or in the future by Shipper to Company for any and all service under any Service Agreement to be immediately due and payable as liquidated damages and not as a penalty.

Any notice provided by Company to Shipper to withhold, suspend or terminate service under any Service Agreement pursuant to subsection 5.8.2 shall be filed concurrently with the NEB.

5.8.3 Amount of Financial Assurance

The maximum amount of Financial Assurance Company may request from a Shipper (or assignee) shall be as determined by Company an amount equal to:

- (a) for the provision of all gas transportation and related services, other than such services referred to in subsection 5.8.3(b), the aggregate of the maximum rates, tolls, charges or other amounts payable to Company for a period of 70 Days. Provided however, the amount of Financial Assurance for all rates, tolls and charges other than demand charges shall be based on the daily average of the actual charges billed for services for the preceding 12 Month period with the initial forecast to be provided by the Shipper; and
- (b) for the provision of any gas transportation and related services where Company determines that it must construct New Facilities and Shipper has executed the Financial Assurances Agreement defined in subsection ~~5.4.3.4.1~~ 3.4.1(b)(iv) of the Capacity Allocation Procedures, the aggregate of all rates, tolls, charges or other amounts payable to Company for a period of

- (b) the Service Commencement Date(s) for such Existing Capacity which shall be no later than 12 months from the date such Existing Capacity is posted; and
- (c) the Closing Date for such Existing Capacity Open Season.

4.1.2 Existing Capacity Bid Process

If Company posts Existing Capacity pursuant to subsection 4.1.1, Prospective Shippers may bid for such Existing Capacity, on any Banking Day up to and including the Closing Date, as follows:

- (a) Prospective Shippers shall submit a completed and unedited Bid Form set out as Appendix B;
- (b) The Requested Term shall be a minimum term of one year and shall end ~~on~~ on the last day of a Month;
- (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 Shippers, except those who are also Shippers receiving gas transportation service pursuant to a Service Agreement, shall provide to Company for each Bid Form, a deposit equal to the lesser of:
 - (i) one month demand charges for the Requested Maximum Daily Delivery Quantity; or
 - (ii) \$10,000.

The deposit, if provided, shall be refunded to unsuccessful bidders within 5 Banking Days from the date the Service Agreements, Firm Transportation Service are executed for all Existing Capacity posted in the Existing Capacity Open Season.

ARTICLE 3

Term of Agreement

3.1 The term of this Service Agreement shall be as set forth in Appendix A, which shall be for a minimum term of one year.

3.2 Notwithstanding the provisions of subsection 3.1, if at any time during the term hereof Foothills Pipe Lines Ltd. Gas Transportation Tariff with Shippers transporting U.S. Gas from the Prudhoe Bay area of Alaska through all or any part of the Phase I facilities takes effect, Shipper and Company agree to forthwith execute a Gas Transportation Tariff identical in form and substance to the aforementioned Gas Transportation Tariff which shall be identical in form and substance to that attached as Appendix B hereto. Upon execution of such new Gas Transportation Tariff this Gas Transportation Tariff shall terminate.

ARTICLE 4

Receipt and Delivery Points and Pressures

4.1 All receipts of gas from Shipper shall be at the Receipt Point of such gas, as identified in Appendix A attached to this Service Agreement, Firm Transportation Service, as the same may be in effect from time to time.

4.2 Should measuring equipment not be provided at either the Receipt Point or the Delivery Point, Shipper shall be responsible for measuring the gas volume and quality as specified in the General Terms and Conditions of this Gas Transportation Tariff subject to approval by Company.

4.3 The Delivery Points for gas to be transported hereunder shall be the points set forth in Appendix A attached to this Service Agreement, Firm Transportation Service as the same may be in effect from time to time.

4.4 The delivery pressure of the gas tendered by Shipper to Company for transportation shall be at a pressure sufficient to enter Company's system at the Receipt Point, up to that specified for such Receipt Point in ~~Appendix A attached to this Service Agreement, Firm Transportation Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

4.5 The delivery pressure of the gas delivered by Company to Shipper shall be at the pressure available from Company's system at the Delivery Point as specified for such Delivery Point in ~~Appendix A attached to this Service Agreement, Firm Transportation Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

ARTICLE 3**Term of Agreement**

3.1 The term of this Service Agreement, Interruptible Transportation Service shall be as set forth in Appendix A.

3.2 Notwithstanding subsection 3.1 herein, if at any time during the term of this Service Agreement, Interruptible Transportation Service Shipper has not requested service for a period of one year, Company may, in its sole discretion, terminate this Service Agreement, Interruptible Transportation Service by giving written notice thereof to Shipper. Such termination shall be effective 60 days following the date of such written notice.

ARTICLE 4**Receipt and Delivery Points and Pressures**

4.1 All receipts of gas from Shipper shall be at the Receipt Points of such gas, as identified in Appendix A attached to this Service Agreement, Interruptible Transportation Service, as the same may be in effect from time to time.

4.2 Should measuring equipment not be provided at either the Receipt Points or the Delivery Points, subject to approval by Company, Shipper shall be responsible for measuring the gas volume and quality in the manner specified in the General Terms and Conditions of this Gas Transportation Tariff.

4.3 The Delivery Points for gas to be transported hereunder shall be the points set forth in Appendix A attached to this Service Agreement, Interruptible Transportation Service, as the same may be in effect from time to time.

4.4 The delivery pressure of the gas tendered by Shipper to Company for transportation shall be at a pressure sufficient to enter Company's system at the Receipt Point, up to the pressure specified for such Receipt Point in ~~Appendix A attached to this Service Agreement, Interruptible Transportation Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

4.5 The delivery pressure of the gas delivered by Company to Shipper shall be the pressure available from Company's system at the Delivery Point as specified for such Delivery Point in ~~Appendix A attached to this Service Agreement, Interruptible Transportation Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

ARTICLE 3Term of Agreement

3.1 This Service Agreement, Small General Service shall become effective on the date of execution and shall continue in effect until _____, 20__ and thereafter as agreed between Shipper and Company subject to at least six months notice of termination by either party.

3.2 Notwithstanding the provisions of subsection 3.1, if at any time during the term hereof, Foothills Pipe Lines Ltd. Gas Transportation Tariff with Shippers transporting U.S. Gas from the Prudhoe Bay area of Alaska through all or any part of the Phase I facilities takes effect, Shipper and Company agree to forthwith execute a Gas Transportation Tariff identical in form and substance to the aforementioned Gas Transportation Tariff which shall be identical in form and substance to that attached as Appendix B hereto. Upon execution of such new Gas Transportation Tariff this Gas Transportation Tariff shall terminate.

ARTICLE 4Receipt and Delivery Points and Pressures

4.1 All receipts of gas from Shipper shall be at the Receipt Point of such gas, as identified in Appendix A attached to this Service Agreement, Small General Service, as the same may be in effect from time to time.

4.2 Should measuring equipment not be provided by Company at either the Receipt Point or the Delivery Point, Shipper shall be responsible for measurement in accordance with Company's obligation under the General Terms and Conditions of this Gas Transportation Tariff and Company shall, in such circumstances, have the same rights as Shipper as under section 3 of the General Terms and Conditions of this Gas Transportation Tariff.

4.3 The Delivery Points for gas to be transported hereunder shall be the points set forth in Appendix A attached to this Service Agreement, Small General Service as the same may be in effect from time to time.

4.4 The delivery pressure of the gas tendered by Shipper to Company for transportation shall be at a pressure sufficient to enter Company's system at the Receipt Point, up to that specified for such Receipt Point in ~~Appendix A attached to this Service Agreement, Small General Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

4.5 The delivery pressure of the gas delivered by Company to Shipper shall be at the pressure available from Company's system at the Delivery Point as specified for such Delivery Point in ~~Appendix A attached to this Service Agreement, Small General Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

ARTICLE 3

Term of Agreement

3.1 Shippers Service Agreement, Short Term Firm Transportation Service shall remain in full force and effect until terminated in accordance with subsection 3.2.

3.2 Either Company or Shipper shall be entitled to terminate Shipper's Service Agreement, Short Term Firm Transportation Service by providing the other with at least 60 days prior written notice of such termination. The Service Agreement shall terminate and be of no further force or effect upon expiration of such notice period, provided however that nothing herein shall relieve any party from any obligations which arose prior to the effective date of such termination, including all obligations under Appendix A to Shippers Service Agreement, Short Term Firm Transportation Service.

3.3 Notwithstanding the provisions of subsection 3.1, if at any time during the term hereof Foothills Pipe Lines Ltd. Gas Transportation Tariff with Shippers transporting U.S. Gas from the Prudhoe Bay area of Alaska through all or any part of the Phase I facilities takes effect, Shipper and Company agree to forthwith execute a Gas Transportation Tariff identical in form and substance to the aforementioned Gas Transportation Tariff which shall be identical in form and substance to that attached as Appendix B hereto. Upon execution of such new Gas Transportation Tariff this Gas Transportation Tariff shall terminate.

ARTICLE 4

Receipt and Delivery Points and Pressures

4.1 All receipts of gas from Shipper shall be at the Receipt Point of such gas, as identified in Appendix A attached to this Service Agreement, Short Term Firm Transportation Service, as the same may be in effect from time to time.

4.2 Should measuring equipment not be provided at either the Receipt Point or the Delivery Point, Shipper shall be responsible for measuring the gas volume and quality as specified in the General Terms and Conditions of this Gas Transportation Tariff subject to approval by Company.

4.3 The Delivery Point for gas to be transported hereunder shall be the point set forth in Appendix A attached to this Service Agreement, Short Term Firm Transportation Service as the same may be in effect from time to time.

4.4 The delivery pressure of the gas tendered by Shipper to Company for transportation shall be at a pressure sufficient to enter Company's system at the Receipt Point, up to that specified for such Receipt Point in ~~Appendix A attached to this Service Agreement, Short Term Firm Transportation Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

4.5 The delivery pressure of the gas delivered by Company to Shipper shall be at the pressure available from Company’s system at the Delivery Point as specified for such Delivery Point in ~~Appendix A attached to this Service Agreement, Short Term Firm Transportation Service~~ the General Terms and Conditions of this Gas Transportation Tariff.

ARTICLE 5

Title and Custody

5.1 Although Company does not acquire title of the gas transported under this Service Agreement, Short Term Firm Transportation Service gas received by Company from Shipper hereunder shall be deemed to be in the custody and under the control of Company from the time such gas is accepted for transportation at the Receipt Point until it is delivered to Shipper at the Delivery Point.

ARTICLE 6

Address of Parties

6.1 Any notice or any request, demand, statement, bid or bill (for the purpose of this subsection, collectively referred to as “Notice”) provided for by the Rate Schedules, the Service Agreements and the General Terms and Conditions, or any other Notice which either Shipper or Company may wish to give to the other, shall be in writing and shall be directed as follows:

- Shipper: •
-
-
- Attention: •
- Fax: •
- E-mail: •

1.17 “Foreign Exchange Rate” shall mean for any day that rate for the currency in question as published at 12:00 Eastern Standard Time, by the Bank of Canada in the City of Ottawa.

1.18 “G-14” shall mean Measurement Canada’s Bulletin G-14, as may be amended from time to time.

1.181.19 “gas” shall mean natural gas, manufactured, artificial or synthetic gas, or any mixture or combination thereof.

1.191.20 “Gas Plant In Service” shall mean the original cost of the gas plant of Company excluding plant that is entirely distinct from and is not operated in connection with the gas transportation service provided pursuant to this Gas Transportation Tariff.

1.201.21 “Gas Transportation Tariff” shall mean the compilation on file with the National Energy Board of Company’s Rate Schedule, General Terms and Conditions and related Service Agreements with Shippers as in effect from time to time.

1.211.22 “General Terms and Conditions” shall mean, at any time, these General Terms and Conditions as amended or supplemented from time to time.

1.221.23 “GIA” shall ~~have the meaning attributed to it in subsection 3.1~~ mean the Electricity and Gas Inspection Act, Chapter E-4 of the Revised Statutes of Canada, 1985 or as amended, and all regulations issued pursuant to it.

1.231.24 “GJ” shall mean 10^9 Joules.

1.241.25 “gross heating value” shall mean the total Joules obtained by complete combustion at constant pressure of one cubic metre of gas with air, the gas to be free of all water vapour and the temperature of the gas, air and products of combustion to be at standard temperature and all water formed by the combustion reaction to be condensed to the liquid state.

1.251.26 “J” shall mean Joule(s), the base unit for energy as defined by The International System of Units (SI).

1.261.27 “km” shall mean kilometre(s) as defined by The International System of Units (SI).

1.271.28 “kPa” shall mean kilopascal(s) of pressure.

1.281.29 “Line Pack Change” shall mean for any period the difference between the total quantity of line pack gas contained in a Zone of Company’s pipeline at the beginning and end of such period, as computed by Company.

1.291.30 “Line Pack” for any Zone at any time shall mean that quantity of gas which is calculated by Company as the total quantity of gas required as line pack for the efficient operation of its pipeline in such Zone.

1.31 “Low Intervention Trade Transaction” shall have the meaning attributed to it in G-14, as may be amended from time to time.

1.301.32 “Make-Up Gas” shall mean for any period the total quantity of gas transported pursuant to subsection 9.2 of Rate Schedule FT, Firm Transportation Service of Foothills Pipe Lines Ltd. Gas Transportation Tariff for all Shippers under that Rate Schedule.

1.311.33 “Maximum Daily Delivery Quantity” or “MDDQ” shall mean, relative to a Delivery Point for any day, the quantity of gas, as specified in Appendix A ~~to the of~~ Shipper’s Service Agreement.

1.34 “MC” shall mean Measurement Canada, an Agency of Industry Canada.

1.321.35 “mg” shall mean milligram(s) as defined by The International System of Units (SI).

1.331.36 “month” shall mean a period of time beginning at 09:00 CCT on the first day of a calendar month and ending at 09:00 CCT on the first day of the next calendar month.

1.341.37 “National Energy Board” or “NEB” or “Board” shall mean the National Energy Board of Canada or any other tribunal which may hereafter exercise the functions now exercised by that Board with respect to the regulation of gas pipelines.

2.5 Quality Tests

Company shall establish reasonable methods and procedures, including instrumentation, for making tests to determine whether gas tendered by Shipper to Company for transportation or delivered by Company to Shipper, meets the specifications set forth in this section 2.

3. MEASUREMENT AND MEASURING EQUIPMENT

Subject to section 4 hereof Company shall cause to be furnished, installed, maintained and operated at each Receipt and Delivery Point all equipment, devices and material necessary to determine gas volume, pressure, temperature, gross heating value, quality, specific gravity and super compressibility. Company and Company's agent shall be responsible for the aforesaid measurements and measuring equipment, and Company and Shipper shall in conjunction with affected parties establish necessary metering, dispatch and operating procedures to provide information required by Company, Shipper or such affected parties. The following shall apply to measuring equipment measuring gas tendered by Shipper to Company for transportation, or delivered by Company to Shipper unless otherwise agreed upon.

3.1 Compliance with Regulations

All measuring equipment, devices and material required shall be compatible with the quantities to be metered at the particular point, and shall be of a type approved for their intended use under the provisions of the ~~Gas Inspection Act being Chapter E-4 of the Revised Statutes of Canada, 1985 or as amended (hereinafter referred to as "GIA")~~, where such approvals are applicable.

3.2 Check Measuring Equipment

At each Shipper's Receipt Point and Delivery Point, Shipper, at its own expense, may cause to be furnished, installed, maintained and operated check measuring equipment,

Company and Shipper shall preserve all original test data, and other similar records in such party's possession for a period of at least six years or such lesser period as may be compatible with record retention rules of any governmental agencies having jurisdiction thereover.

3.13 Low Intervention Trade Transaction Level

If, pursuant to the GIA and G-14, Company has received from MC, conditional permission for the use of gas metering equipment without verification and sealing, at the Low Intervention Trade Transaction level, then the following shall apply:

- a) The Low Intervention Trade Transaction shall be subject to the provisions and conditions listed in G-14, as published on MC's website (or any replacement thereof);
- b) Shipper agrees that the gas metering equipment has been initially calibrated and will be periodically recalibrated (and reprogrammed where necessary) in accordance with a process and procedure acceptable to Shipper;
- c) Any measurement disputes arising between Company and Shipper shall be resolved in accordance with the provisions of subsection 3.4 of these General Terms and Conditions;
- d) Company and Shipper acknowledge and agree that the conditional permission granted by MC may restrict MC's ability to successfully conclude a measurement dispute investigation, if MC involvement has been requested; and
- e) Company and Shipper agree to the implementation of the Low Intervention Trade Transaction in accordance with G-14 and either Company or Shipper has the right to request a revocation of the conditional permission for the Low Intervention Trade Transaction in accordance with G-14.

4. NON-COMPANY EQUIPMENT

1.17 “Foreign Exchange Rate” shall mean for any day that rate for the currency in question as published at 12:00 Eastern Standard Time, by the Bank of Canada in the City of Ottawa.

1.18 “G-14” shall mean Measurement Canada’s Bulletin G-14, as may be amended from time to time.

1.181.19 “gas” shall mean natural gas, manufactured, artificial or synthetic gas, or any mixture or combination thereof.

1.191.20 “Gas Plant In Service” shall mean the original cost of the gas plant of Company excluding plant that is entirely distinct from and is not operated in connection with the gas transportation service provided pursuant to this Gas Transportation Tariff.

1.201.21 “Gas Transportation Tariff” shall mean the compilation on file with the National Energy Board of Company’s Rate Schedule, General Terms and Conditions and related Service Agreements with Shippers as in effect from time to time.

1.211.22 “General Terms and Conditions” shall mean, at any time these General Terms and Conditions as amended or supplemented from time to time.

1.221.23 “GIA” shall ~~have the meaning attributed to it in section 3.1~~ mean the Electricity and Gas Inspection Act, Chapter E-4 of the Revised Statutes of Canada, 1985 or as amended, and all regulations issued pursuant to it.

1.231.24 “GJ” shall mean 10^9 Joules.

1.241.25 “gross heating value” shall mean the total Joules obtained by complete combustion at constant pressure of one cubic metre of gas with air, the gas to be free of all water vapour and the temperature of the gas, air and products of combustion to be at standard temperature and all water formed by the combustion reaction to be condensed to the liquid state.

1.251.26 “J” shall mean Joule(s), the base unit for energy as defined by The International System of Units (SI).

1.261.27 “km” shall mean kilometre(s) as defined by The International System of Units (SI).

1.271.28 “kPa” shall mean kilopascal(s) of pressure.

1.281.29 “Line Pack Change” shall mean for any period the difference between the total quantity of line pack gas contained in Company’s pipeline at the beginning and end of such period, as computed by Company.

1.291.30 “Line Pack” shall mean at any time that quantity of gas which is calculated by Company as the total quantity of gas required as line pack for the efficient operation of its pipeline.

1.31 “Low Intervention Trade Transaction” shall have the meaning attributed to it in G-14, as may be amended from time to time.

1.301.32 “Make-Up Gas” shall mean for any period the total quantity of gas transported pursuant to subsection 9.2 of Rate Schedule FT, Firm Transportation Service of Foothills Pipe Lines Ltd. Gas Transportation Tariff for all Shippers under that Rate Schedule.

1.33 “Maximum Daily Delivery Quantity” or “MDDQ” shall mean, relative to a Delivery Point for any day, the ~~volume~~ quantity of gas, as specified in Appendix A ~~to the~~ of Shipper’s Service Agreement.

1.34 “MC” shall mean Measurement Canada, an Agency of Industry Canada.

1.321.35 “mg” shall mean milligram(s) as defined by The International System of Units (SI).

1.331.36 “month” shall mean a period of time beginning at 09:00 CCT on the first day of a calendar month and ending at 09:00 CCT on the first day of the next calendar month.

1.341.37 “National Energy Board” or “NEB” or “Board” shall mean the National Energy Board of Canada or any other tribunal which may hereafter exercise the functions now exercised by that Board with respect to the regulation of gas pipelines.

All measuring equipment, devices and material required shall be compatible with the quantities to be metered at the particular point, and shall be of a type approved for their intended use under the provisions of the ~~Gas Inspection Act being Chapter E 4 of the Revised Statutes of Canada, 1985 or as amended~~ (hereinafter referred to as "GIA"), where such approvals are applicable.

3.2 Check Measuring Equipment

At Shipper's Receipt Point and Delivery Point, Shipper, at its own expense, may cause to be furnished, installed, maintained and operated check measuring equipment, provided that such equipment does not interfere with the operations of the measuring equipment installed or caused to be installed by Company and the transportation of gas hereunder.

3.3 Calibration

The accuracy of Company's measuring equipment shall be verified at such intervals as may be appropriate for such equipment. Advance notice of the time and nature of each test shall be given to allow Shipper a reasonable amount of time to arrange for a representative to observe the test and any adjustments resulting from such tests. If, after notice, Shipper fails to have a representative present, the results of the test shall nevertheless be considered accurate until the next test.

- (a) The actual “real time” value determined when continuous analyzing equipment supplies live data of the gas characteristic to the real time measurement computer; or
- (b) The arithmetical average recorded each day or part thereof if continuous recording equipment is used; or
- (c) Where sampling is utilized, determinations available from analyses of such samples.

3.11 Access to and Exchange of Metering Data

Company and Shipper shall exchange, upon request of either party, copies of all measuring and testing data and information as soon as practicable for any such requests.

3.12 Preservation of Measurement Records

Company and Shipper shall preserve all original test data, and other similar records in such party’s possession for a period of at least six years or such lesser period as may be compatible with record retention rules of any governmental agencies having jurisdiction thereover.

3.13 Low Intervention Trade Transaction Level

If, pursuant to the GIA and G-14, Company has received from MC, conditional permission for the use of gas metering equipment without verification and sealing, at the Low Intervention Trade Transaction level, then the following shall apply:

- a) The Low Intervention Trade Transaction shall be subject to the provisions and conditions listed in G-14, as published on MC’s website (or any replacement thereof);
- b) Shipper agrees that the gas metering equipment has been initially calibrated and will be periodically recalibrated (and reprogrammed where necessary) in accordance with a process and procedure acceptable to Shipper;

- c) Any measurement disputes arising between Company and Shipper shall be resolved in accordance with the provisions of subsection 3.4 of these General Terms and Conditions;
- d) Company and Shipper acknowledge and agree that the conditional permission granted by MC may restrict MC's ability to successfully conclude a measurement dispute investigation, if MC involvement has been requested; and
- e) Company and Shipper agree to the implementation of the Low Intervention Trade Transaction in accordance with G-14 and either Company or Shipper has the right to request a revocation of the conditional permission for the Low Intervention Trade Transaction in accordance with G-14.

4. NON-COMPANY EQUIPMENT

All non-Company measuring equipment, devices and material required shall be compatible with the quantities to be metered at the particular point, and shall be of a type approved for their intended use under the provisions of GIA where such approvals are applicable.

5. BILLING AND PAYMENT

5.1 Billing

On or before the 9th Banking Day of each month Company shall submit to Shipper a bill for such billing month. Such bill shall reflect:

- (a) any amount payable by Shipper for the immediately preceding month for service provided under the Rate Schedule;
- (b) any billing adjustments to which Shipper is entitled or liable in respect of the second preceding month pursuant to subsection 9.4 of the Rate Schedule FT, Firm

1.17 “Foreign Exchange Rate” shall mean for any day that rate for the currency in question as published at 12:00 Eastern Standard Time, by the Bank of Canada in the City of Ottawa.

1.18 “G-14” shall mean Measurement Canada’s Bulletin G-14, as may be amended from time to time.

1.181.19 “gas” shall mean natural gas, manufactured, artificial or synthetic gas, or any mixture or combination thereof.

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1.34 “MC” shall mean Measurement Canada, an Agency of Industry Canada.

1.321.35 “mg” shall mean milligram(s) as defined by The International System of Units (SI).

1.331.36 “month” shall mean a period of time beginning at 09:00 CCT on the first day of a calendar month and ending at 09:00 CCT on the first day of the next calendar month.

1.341.37 “National Energy Board” or “NEB” or “Board” shall mean the National Energy Board of Canada or any other tribunal which may hereafter exercise the functions now exercised by that Board with respect to the regulation of gas pipelines.

2.5 Quality Tests

Company shall establish reasonable methods and procedures, including instrumentation, for making tests to determine whether gas tendered by Shipper to Company for transportation or delivered by Company to Shipper, meets the specifications set forth in this section 2.

3. MEASUREMENT AND MEASURING EQUIPMENT

Subject to section 4 hereof Company shall cause to be furnished, installed, maintained and operated at each Receipt and Delivery Point all equipment, devices and material necessary to determine gas volume, pressure, temperature, gross heating value, quality, specific gravity and super compressibility. Company and Company's agent shall be responsible for the aforesaid measurements and measuring equipment, and Company and Shipper shall in conjunction with affected parties establish necessary metering, dispatch and operating procedures to provide information required by Company, Shipper or such affected parties. The following shall apply to measuring equipment measuring gas tendered by Shipper to Company for transportation, or delivered by Company to Shipper unless otherwise agreed upon.

3.1 Compliance with Regulations

All measuring equipment, devices and material required shall be compatible with the quantities to be metered at the particular point, and shall be of a type approved for their intended use under the provisions of the ~~Gas Inspection Act being Chapter E-4 of the Revised Statutes of Canada, 1985 or as amended~~ (hereinafter referred to as "GIA"), where such approvals are applicable.

3.2 Check Measuring Equipment

At Shipper's Receipt Point and Delivery Point, Shipper, at its own expense, may cause to be furnished, installed, maintained and operated check measuring equipment, provided that such equipment does not interfere with the operations of the measuring equipment installed or caused to be installed by Company and the transportation of gas hereunder.

3.10 Gas Characteristics

The gas characteristics, including gross heating value, specific gravity, and nitrogen and carbon dioxide content, of the gas tendered by Shipper to Company for transportation or delivered by Company at the Delivery Point shall be determined, where applicable, by continuous recording equipment, approved for this use under the provisions of the GIA, or by standard laboratory equipment where a continuous sampler or spot sampler is used or spot samples are taken.

The gas characteristics used in computing gas measurement depending upon the method utilized, shall be:

- (a) The actual “real time” value determined when continuous analyzing equipment supplies live data of the gas characteristic to the real time measurement computer; or
- (b) The arithmetical average recorded each day or part thereof if continuous recording equipment is used; or
- (c) Where sampling is utilized, determinations available from analyses of such samples.

3.11 Access to and Exchange of Metering Data

Company and Shipper shall exchange, upon request of either party, copies of all measuring and testing data and information as soon as practicable for any such requests.

3.12 Preservation of Measurement Records

Company and Shipper shall preserve all original test data, and other similar records in such party’s possession for a period of at least six years or such lesser period as may be compatible with record retention rules of any governmental agencies having jurisdiction thereover.

3.13 Low Intervention Trade Transaction Level

If, pursuant to the GIA and G-14, Company has received from MC, conditional permission for the use of gas metering equipment without verification and sealing, at the Low Intervention Trade Transaction level, then the following shall apply:

- a) The Low Intervention Trade Transaction shall be subject to the provisions and conditions listed in G-14, as published on MC's website (or any replacement thereof);
- b) Shipper agrees that the gas metering equipment has been initially calibrated and will be periodically recalibrated (and reprogrammed where necessary) in accordance with a process and procedure acceptable to Shipper;
- c) Any measurement disputes arising between Company and Shipper shall be resolved in accordance with the provisions of subsection 3.4 of these General Terms and Conditions;
- d) Company and Shipper acknowledge and agree that the conditional permission granted by MC may restrict MC's ability to successfully conclude a measurement dispute investigation, if MC involvement has been requested; and
- e) Company and Shipper agree to the implementation of the Low Intervention Trade Transaction in accordance with G-14 and either Company or Shipper has the right to request a revocation of the conditional permission for the Low Intervention Trade Transaction in accordance with G-14.

4. NON-COMPANY EQUIPMENT

All non-Company measuring equipment, devices and material required shall be compatible with the quantities to be metered at the particular point, and shall be of a type approved for their intended use under the provisions of GIA where such approvals are applicable.

ARTICLE 3

Term of Agreement

- 3.1 This Service Agreement shall become effective on _____, 20__ and shall continue in effect:
- (a) in respect of Zone 6, until the last day of the latest to expire of any Service Agreement between Shipper hereunder and a Shipper as defined in the General Terms and Conditions of the Gas Transportation Tariff of Foothills Pipe Lines Ltd., for service through Zone 6; and
 - (b) in respect of Zone 7, until the last day of the latest to expire of any Service Agreement between Shipper hereunder and a Shipper as defined in the General Terms and Conditions of the Gas Transportation Tariff of Foothills Pipe Lines Ltd., for service through Zone 7.

3.2 Notwithstanding the provisions of subsection 3.1, if at any time during the term hereof Foothills Pipe Lines Ltd. Gas Transportation Tariff with Shippers transporting U.S. Gas from the Prudhoe Bay area of Alaska through all or any part of the Phase I facilities takes effect, Shipper and Company agree to forthwith execute a Gas Transportation Tariff identical in form and substance to the aforementioned Gas Transportation Tariff which shall be identical in form and substance to that attached as Appendix B hereto. Upon execution of such new Gas Transportation Tariff this Gas Transportation Tariff shall terminate.

ARTICLE 4

Receipt and Delivery Points and Pressures

4.1 All receipts of gas from Shipper hereunder shall be considered to be at or near the inlet side of the next appropriate metering station, following the Receipt Point of such gas, as identified in Appendix A attached to this Service Agreement, as the same may be in effect from time to time.

4.2 The Delivery Points for gas to be transported hereunder shall be the points set forth in Appendix A attached to this Service Agreement as the same may be in effect from time to time.

4.3 The Delivery Pressure of the gas tendered by Shipper to Company for transportation shall be at a pressure sufficient to enter Company's system at the Receipt Point, up to that specified for such Receipt Point in ~~Appendix A attached to this Service Agreement~~ the General Terms and Conditions of Company's Gas Transportation Tariff.

4.4 The Delivery Pressure of the gas delivered by Company to Shipper shall be at the pressure available from Company's system at the Delivery Point as specified for such Delivery Point in ~~Appendix A attached to this Service Agreement~~ the General Terms and Conditions of Company's Gas Transportation Tariff.

ARTICLE 3Term of Agreement

3.1 This Service Agreement shall become effective on _____, 20__ and shall continue in effect until the last day of the latest to expire of any Service Agreement between Shipper hereunder and a Shipper as defined in the General Terms and Conditions of the Gas Transportation Tariff of Foothills Pipe Lines Ltd., for service through Zone 9.

3.2 Notwithstanding the provisions of subsection 3.1, if at any time during the term hereof Foothills Pipe Lines Ltd. Gas Transportation Tariff with Shippers transporting U.S. Gas from the Prudhoe Bay area of Alaska through all or any part of the Phase I facilities takes effect, Shipper and Company agree to forthwith execute a Gas Transportation Tariff identical in form and substance to the aforementioned Gas Transportation Tariff which shall be identical in form and substance to that attached as Appendix B hereto. Upon execution of such new Gas Transportation Tariff this Gas Transportation Tariff shall terminate.

ARTICLE 4Receipt and Delivery Points and Pressures

4.1 All receipts of gas from Shipper hereunder shall be considered to be at or near the inlet side of the next appropriate metering station, following the Receipt Point of such gas, as identified in Appendix A attached to this Service Agreement, as the same may be in effect from time to time.

4.2 The Delivery Points for gas to be transported hereunder shall be the points set forth in Appendix A attached to this Service Agreement as the same may be in effect from time to time.

4.3 The Delivery Pressure of the gas tendered by Shipper to Company for transportation shall be at a pressure sufficient to enter Company's system at the Receipt Point, up to that specified for such Receipt Point in ~~Appendix A attached to this Service Agreement~~ the General Terms and Conditions of Company's Gas Transportation Tariff.

4.4 The Delivery Pressure of the gas delivered by Company to Shipper shall be at the pressure available from Company's system at the Delivery Point as specified for such Delivery Point in ~~Appendix A attached to this Service Agreement~~ the General Terms and Conditions of Company's Gas Transportation Tariff.

ARTICLE 3

Term of Agreement

3.1 This Service Agreement shall become effective on _____, 20__ and shall continue in effect until the last day of the latest to expire of any Service Agreement between Shipper hereunder and a Shipper as defined in the General Terms and Conditions of the Gas Transportation Tariff of Foothills Pipe Lines Ltd., for service through Zone 8.

3.2 Notwithstanding the provisions of subsection 3.1, if at any time during the term hereof Foothills Pipe Lines Ltd. Gas Transportation Tariff with Shippers transporting U.S. Gas from the Prudhoe Bay area of Alaska through all or any part of the Phase I facilities takes effect, Shipper and Company agree to forthwith execute a Gas Transportation Tariff identical in form and substance to the aforementioned Gas Transportation Tariff which shall be identical in form and substance to that attached as Appendix B hereto. Upon execution of such new Gas Transportation Tariff this Gas Transportation Tariff shall terminate.

ARTICLE 4

Receipt and Delivery Points and Pressures

4.1 All receipts of gas from Shipper hereunder shall be considered to be at or near the inlet side of the next appropriate metering station, following the Receipt Point of such gas, as identified in Appendix A attached to this Service Agreement, as the same may be in effect from time to time.

4.2 The Delivery Points for gas to be transported hereunder shall be the points set forth in Appendix A attached to this Service Agreement as the same may be in effect from time to time.

4.3 The Delivery Pressure of the gas tendered by Shipper to Company for transportation shall be at a pressure sufficient to enter Company's system at the Receipt Point, up to that specified for such Receipt Point in ~~Appendix A attached to this Service Agreement~~ the General Terms and Conditions of Company's Gas Transportation Tariff.

4.4 The Delivery Pressure of the gas delivered by Company to Shipper shall be at the pressure available from Company's system at the Delivery Point as specified for such Delivery Point in ~~Appendix A attached to this Service Agreement~~ the General Terms and Conditions of Company's Gas Transportation Tariff.