

**T-NORTH ARRANGEMENTS FOR NGTL NIT RECEIPT SERVICE****DEFINITIONS**

1. In this Tariff Supplement:
  - a) "**Linked Service Agreement**" means a Service Agreement between a Qualifying Shipper and Westcoast providing for Firm Transportation Service – Northern, Long Haul, from a Receipt Point in Zone 3 upstream of Compressor Station No.2 to a Delivery Point at the NOVA/Gordondale Interconnection;
  - b) "**NGTL**" means NOVA Gas Transmission Ltd.;
  - c) "**NGTL Service Agreement**" means a Service Agreement between NGTL and Westcoast providing for Firm Transportation Service – Northern, Long Haul, from a Receipt Point at Compressor Station No. 2 to a Delivery Point at the NOVA/Gordondale Interconnection;
  - d) "**Qualifying Shipper**" means a Shipper which has entered into a Linked Service Agreement with Westcoast; and
  - e) "**T-North Toll Schedule**" means the Toll Schedule for Transportation Service – Northern, Long Haul and Short Haul, and Temporary Firm Service.

All other terms used in this Tariff Supplement have the same meaning as set forth in the General Terms and Conditions and the T-North Toll Schedule.

**MODIFICATION OF THE GENERAL TERMS AND CONDITIONS**

2. This Tariff Supplement modifies the General Terms and Conditions and the T-North Toll Schedule with respect to a Linked Service Agreement and an NGTL Service Agreement, and the General Terms and Conditions and the T-North Toll Schedule shall be subject to and read together with this Tariff Supplement with respect to such Service Agreements.

**EFFECTIVE PERIOD**

3. This Tariff Supplement shall be effective for the period commencing at the beginning of the day on August 1, 2010.

**LINKED SERVICE AGREEMENTS**

4. Assignment to NGTL. A Qualifying Shipper may, pursuant to Section 21.02 of the General Terms and Conditions, assign to NGTL the Qualifying Shipper's right to Firm Transportation Service – Northern under a Linked Service Agreement for the segment of that Firm Transportation Service – Northern between Compressor Station No. 2 and the NOVA/Gordondale Interconnection for all or part of the remaining term of the Linked Service Agreement.
5. Delivery Point. Where a Qualifying Shipper makes an assignment to NGTL in accordance with Section 4, the Qualifying Shipper and Westcoast shall amend the Linked Service Agreement to provide for a Delivery Point at Compressor Station No. 2 in place of the NOVA/Gordondale Interconnection for the term of the assignment to NGTL.
6. Deliveries of Gas. During the term of the assignment made by a Qualifying Shipper to NGTL in accordance with Section 4, the Qualifying Shipper may nominate Firm Transportation Service – Northern under the Linked Service Agreement for delivery to Compressor Station No. 2 for either:
  - a) ongoing delivery to the NOVA/Gordondale Interconnection pursuant to the NGTL Service Agreement applicable to the Firm Transportation Service – Northern assigned by the Qualifying Shipper to NGTL; or

- b) ongoing delivery through the Pipeline System by Westcoast to a Delivery Point in Zone 4 pursuant to another Service Agreement providing for Firm Transportation Service – Southern.
7. Credits. During the term of the assignment made by a Qualifying Shipper to NGTL in accordance with Section 4, Westcoast will provide the Qualifying Shipper with a revenue credit for each Month in the term of such assignment to reduce the amount of the Demand Tolls payable by the Qualifying Shipper in respect of the Firm Transportation Service – Northern provided under the Linked Service Agreement, which revenue credit shall be an amount equal to the amount of the Demand Tolls, before any reduction for Contract Demand Credits, payable by NGTL for each such Month under the NGTL Service Agreement applicable to the Firm Transportation Service – Northern assigned by the Qualifying Shipper to NGTL, provided that the amount of such revenue credit shall not exceed the amount of the Demand Tolls which would otherwise be payable by the Shipper for the Month in respect of such Firm Transportation Service – Northern.
8. Other Credits. During the term of an assignment made by a Qualifying Shipper to NGTL in accordance with Section 4, the Qualifying Shipper shall not be entitled under a Linked Service Agreement to:
- a) Underutilized Demand Charge Credits pursuant to Section 8 of the T-North Toll Schedule in respect of any underutilized Firm Transportation Service – Northern incurred under the Linked Service Agreements; and
- b) Contract Demand Credits pursuant to Section 8.01 of the General Terms and Conditions.
9. System Gas and Taxes. During the term of an assignment made by a Qualifying Shipper to NGTL in accordance with Section 4, the Qualifying Shipper shall, in respect of gas delivered to Westcoast on each day under a Linked Service Agreement for ongoing delivery by Westcoast to a Delivery Point in Zone 4:
- a) deliver to Westcoast on each such day, the allowance for System Gas required for service in Zone 3 in accordance with Section 4.14 of the General Terms and Conditions; and
- b) pay to Westcoast for each such day the amount of tax on fuel gas consumed in operations payable under the *Motor Fuel Tax Act* (British Columbia) and the *Carbon Tax Act* (British Columbia) which is allocated to the Qualifying Shipper by Westcoast for each such day on which such deliveries of gas occur.
- During the term of an assignment made by a Qualifying Shipper to NGTL in accordance with Section 4, the Qualifying Shipper shall not be required to deliver the allowance for System Gas for service in Zone 3 or to pay the taxes on fuel gas consumed in operations in Zone 3 in respect of gas delivered to Westcoast on each day under the Linked Service Agreement for ongoing delivery to the NOVA/Gordondale Interconnection pursuant to an NGTL Service Agreement.
10. Renewal Rights. A Qualifying Shipper may exercise the renewal rights under Section 2.06 of the General Terms and Conditions in respect of:
- a) the segment of Firm Transportation Service – Northern between the Receipt Point and Compressor Station No. 2 specified in the Linked Service Agreement; and
- b) the segment of Firm Transportation Service – Northern between Compressor Station No. 2 and the NOVA/Gordondale Interconnection which was assigned by the Qualifying Shipper to NGTL pursuant to Section 4 (i) for part of the remaining term of the Linked Service Agreement or (ii) for all of the remaining term of the Linked Service Agreement only in the event NGTL elects not to exercise the renewal rights in respect of such segment.
11. Further Assignment. A Qualifying Shipper may not assign a Linked Service Agreement in accordance with Section 20.02 of the General Terms and Conditions during the term of an assignment made by the Qualifying Shipper to NGTL in accordance with Section 4.

12. Relocations. During the term of an assignment made by a Qualifying Shipper to NGTL in accordance with Section 4, the Delivery Point specified in a Linked Service Agreement shall not be permanently or temporarily relocated pursuant to the provisions of Article 9 of the General Terms and Conditions respecting Relocations.

### NGTL SERVICE AGREEMENTS

13. Toll Schedules. The T-North Toll Schedule applies to each NGTL Service Agreement.
14. System Gas and Taxes. In addition to the volume of residue gas authorized by Westcoast for Transportation Service – Northern, Long Haul, under each NGTL Service Agreement on each day, NGTL shall also;
- a) deliver to Westcoast at the Receipt Point on each such day the allowance for System Gas required in accordance with Section 4.14 of the General Terms and Conditions; and
  - b) pay to Westcoast for each such day the amount of tax on fuel gas consumed in operations payable under the *Motor Fuel Tax Act* (British Columbia) and the *Carbon Tax Act* (British Columbia) which is allocated to NGTL by Westcoast for each such day on which such deliveries of gas occur.
15. Renewal Rights. If a Qualifying Shipper makes an assignment to NGTL in accordance with Section 4 for all of the remaining term of the Linked Service Agreement, NGTL may exercise the renewal rights under Section 2.03 of the General Terms and Conditions in respect of the segment of the Firm Transportation Service – Northern between Compressor Station No. 2 and the NOVA/Gordondale Interconnection specified in the NGTL Service Agreement. If a Qualifying Shipper makes an assignment in accordance with Section 4 for only part of the remaining term of the Linked Service Agreement, the right to Firm Transportation Service – Northern for the segment between Compressor Station No. 2 and the NOVA/Gordondale Interconnection shall revert to the Qualifying Shipper at the end of the term of such assignment and NGTL may not exercise any renewal rights under Section 2.03 of the General Terms and Conditions in respect of such segment of Firm Transportation Service – Northern.
16. Assignment. NGTL may not assign an NGTL Service Agreement in accordance with Section 20.02 of the General Terms and Conditions to any person other than the Qualifying Shipper which made an assignment to NGTL in accordance with Section 4.
17. Relocations. The provisions of Article 9 of the General Terms and Conditions respecting Relocations shall not apply to an NGTL Service Agreement.

### T-NORTH LINK POOL ACCOUNT AND NOMINATIONS

18. T-North Link Pool Account. Westcoast will establish and maintain a T-North Link Pool Account at Compressor Station No. 2 for Qualifying Shippers and NGTL and will record for each day in that account:
- a) the thermal equivalent of the authorized volume of gas delivered into the account on each such day by a Qualifying Shipper under a Linked Service Agreement for ongoing delivery for the account of NGTL pursuant to an NGTL Service Agreement;
  - b) the thermal equivalent of the authorized volume of gas delivered into the account on each day by a Qualifying Shipper under a Linked Service Agreement for ongoing delivery to a Delivery Point in Zone 4 pursuant to another Service Agreement;
  - c) the thermal equivalent of the authorized volume of gas, including the required allowance for System Gas, which is delivered out of the account on each day for transmission for the account of NGTL pursuant to an NGTL Service Agreement; and

- d) the thermal equivalent of the authorized volume of gas, including the required allowance for System Gas, which is delivered out of the account on each such day for ongoing delivery to a Delivery Point in Zone 4 pursuant to another Service Agreement.
19. Nominations. During the term of an assignment made by a Qualifying Shipper to NGTL in accordance with Section 4, nominations given by the Qualifying Shipper and by NGTL on any day in accordance with Sections 4.05 and 4.06 of the General Terms and Conditions shall:
- a) in the case of a nomination given by the Qualifying Shipper pursuant to a Linked Service Agreement, specify the T-North Link Pool Account at Compressor Station No. 2 as the Delivery Point in Zone 3; and
- b) in the case of NGTL pursuant to an NGTL Service Agreement, shall specify the T-North Link Pool Account at Compressor Station No. 2 or an Equivalent Receipt Point thereto as the Receipt Point in Zone 3.

#### **EQUIVALENT RECEIPT POINTS**

20. Zone 3 Diversions. For the purposes of Section 7.06 of the General Terms and Conditions, Receipt Point No. 273 (Compressor Station No. 2) is an equivalent Receipt Point to the T-North Link Pool Account at Compressor Station No. 2.