

**TRANSPORTATION SERVICE –NORTHERN
LONG HAUL AND SHORT HAUL, AND
TEMPORARY FIRM SERVICE**

DEFINITIONS

1. In this Toll Schedule, the following terms shall have the following meanings:
 - a) “**Downstream Pipelines**” means the gas pipeline systems owned or operated by NOVA Gas Transmission Ltd. and by Alliance Pipeline Limited Partnership;
 - b) “**Long Haul**” means all Transmission Service - Northern and Temporary Firm Service provided in Zone 3 of the Pipeline System other than Short Haul;
 - c) “**Northern Communities**” means the cities of Fort St. John and Dawson Creek and the towns of Fort Nelson, Prophet River, Pink Mountain, Taylor, Baldonnel, Cecil Lake, Hudson’s Hope, Chetwynd, Goodlow, Rolla, Pouce Coupe and Tumbler Ridge;
 - d) “**Relocated Service**” means Firm Transportation Service – Northern in respect of which a Permanent In Path Relocation has been awarded pursuant to Section 9.19 of the General Terms and Conditions;
 - e) “**Service Term**” means in respect of each Firm Transportation Service – Northern specified in a Firm Service Agreement, the term of each such Firm Transportation Service – Northern as determined in accordance with Section 3; and
 - f) “**Short Haul**” means Transportation Service – Northern and Temporary Firm Service provided in Zone 3 of the Pipeline System:
 - (i) to deliver gas at a Delivery Point in Zone 3 to a gas distribution utility providing gas distribution services in one or more of the Northern Communities, irrespective of the distance of haul in Zone 3; and
 - (ii) in any other case, for a distance of less than 75 kilometres to a Delivery Point in Zone 3 other than:
 - (A) a Delivery Point at which the Pipeline System connects with a Downstream Pipeline; and
 - (B) Firm Service on any pipeline segment in Zone 3 where, in Westcoast’s opinion, as notified by Westcoast on its public bulletin board, such Firm Service would preclude Westcoast from contracting or seeking to contract capacity on such segment as Firm Service for a distance of 75 kilometres or more, provided that any such service that is contracted as Short Haul as of May 31, 2020, will remain Short Haul for the remaining term only of such service.

All other terms used in this Toll Schedule shall have the same meaning as set forth in the General Terms and Conditions.

APPLICATION

2. This Toll Schedule applies to all Firm Transportation Service – Northern, Temporary Firm Service, AOS and Interruptible Transportation Service – Northern provided by Westcoast on facilities in Zone 3 under the provisions of a Firm Service Agreement or an Interruptible Service Agreement into which the General Terms and Conditions and this Toll Schedule are incorporated by reference.
3. For all purposes of this Toll Schedule, the Demand Toll applicable to any Firm Transportation Service – Northern provided pursuant to a Firm Service Agreement shall be determined based upon the Service Term, and the Service Term for each such service shall be determined as follows:

- a) in the case of each Firm Transportation Service – Northern provided for in a Firm Service Agreement entered into by a Shipper with Westcoast prior to November 1, 2005, the number of whole years remaining in the term of each such service as of November 1, 2005;
 - b) in the case of each Firm Transportation Service – Northern provided for in a Firm Service Agreement entered into by a Shipper with Westcoast after November 1, 2005, the number of whole years in the term of each such service specified in the Firm Service Agreement;
 - c) in the case of each Firm Transportation Service – Northern which is renewed by a Shipper after November 1, 2005 in accordance with Section 2.03 of the General Terms and Conditions, the number of whole years in the renewal term of each such service, with effect from the first day of the renewal term; and
 - d) in the case of each Firm Transportation Service – Northern provided for in a Firm Service Agreement which is extended by the Shipper and Westcoast after December 31, 2005, the number of whole years remaining in the term of each such service, including the period of the extension, with effect from the first day of the month immediately following the execution by the Shipper of an amendment to the Firm Service Agreement providing for such extension.
4. For the purpose of determining the monthly bill payable by a Shipper pursuant to Sections 5, 6 and 7 for any month:
- a) in the case of Firm Transportation Service – Northern and Temporary Firm Service with a Delivery Point at the Straddle Plant Delivery Point, the Contract Demand shall be deemed to be a volume of gas equal to the product obtained by multiplying the Contract Demand specified in the applicable Service Agreement by the Straddle Plant Shrinkage Factor and the service provided in any month shall be deemed to be provided in respect of a volume of gas equal to the product obtained by multiplying the volume of gas for which service was actually provided by the Straddle Plant Shrinkage Factor; and
 - b) in the case of AOS and Interruptible Transportation Service – Northern with a Delivery Point at the Straddle Plant Delivery Point, the service provided in any month shall be deemed to be provided in respect of a volume of gas equal to the product obtained by multiplying the volume of gas for which service was actually provided by the Straddle Plant Shrinkage Factor.

MONTHLY BILL - FIRM TRANSPORTATION SERVICE – NORTHERN

5. The amount payable by a Shipper to Westcoast in respect of Firm Transportation Service – Northern provided in any month pursuant to a Firm Service Agreement shall be an amount equal to the sum of:
- a) the product obtained by multiplying the Contract Demand for Firm Transportation Service – Northern, Long Haul and Short Haul, specified in the Firm Service Agreement by the applicable Demand Toll specified in Appendix A for Firm Transportation Service – Northern; and
 - b) 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 Shipper by Westcoast for the month.

MONTHLY BILL – TEMPORARY FIRM SERVICE

6. The amount payable by a Shipper to Westcoast in respect of Temporary Firm Service provided in any month pursuant to a Firm Service Agreement shall be an amount equal to the sum of:
- a) the product obtained by multiplying the Contract Demand for Temporary Firm Service, Long Haul and Short Haul, specified in the Firm Service Agreement by the applicable Demand Toll specified in Appendix A for Temporary Firm Service; and
 - b) 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 Shipper by Westcoast for the month.

MONTHLY BILL - AOS AND INTERRUPTIBLE TRANSPORTATION SERVICE – NORTHERN

7. The amount payable by a Shipper to Westcoast in respect of AOS and Interruptible Transportation Service – Northern provided on each day in any month shall be an amount equal to the sum of:
 - a) the product obtained by multiplying the applicable Commodity Toll specified in Appendix A for AOS and Interruptible Transportation Service – Northern by a Receipt Volume, determined at the point from which the residue gas is sourced, which is thermally equivalent to the volume of residue gas (i) delivered to or for the account of Shipper at the Delivery Point in Zone 3, or (ii) transmitted to a point in Zone 3 or through Zone 3 for the account of Shipper on each such day in the month; and
 - b) 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 Shipper by Westcoast for each day in the month,

less the amount of any revenue credit or volume credit applicable to the AOS and Interruptible Transportation Service – Northern provided to Shipper on each such day, as determined in accordance with Section 9 in a manner which minimizes the amount payable by Shipper in respect of such AOS and Interruptible Transportation Service – Northern.

UNDERUTILIZED DEMAND CHARGE CREDITS

8. For the purposes of determining any revenue credits and volume credits to be provided to a Shipper in accordance with Section 9, all Relocated Service shall be deemed to be Firm Transportation Service – Northern, Long Haul and all AOS attributed to such Relocated Service shall be deemed to be AOS, Long Haul.
9. If:
 - a) a Shipper has entered into one or more Firm Service Agreements for the provision of Firm Transportation Service – Northern and one or more Interruptible Service Agreements for the provision of Interruptible Transportation Service – Northern; and
 - b) on any day in a month the Shipper underutilizes that Firm Transportation Service – Northern and incurs tolls for AOS or Interruptible Transportation Service – Northern,

then Westcoast will provide the Shipper with a revenue credit or a volume credit to reduce the amount of the Commodity Tolls otherwise payable by the Shipper for such AOS and Interruptible Transportation Service – Northern utilized by the Shipper on such day, which credit shall be:

- c) in the case where the Shipper underutilizes Firm Transportation Service – Northern, Short Haul and incurs tolls for such AOS and Interruptible Transportation Service – Northern, Long Haul, a revenue credit (without duplication of any other credit provided for in this Section) equal to the product obtained by multiplying the applicable Commodity Toll for AOS and Interruptible Transportation Service – Northern, Short Haul by the lesser of (i) the volume of such unutilized Firm Transportation Service – Northern, Short Haul for the day, and (ii) the volume of such AOS and Interruptible Transportation Service – Northern, Long Haul in respect of which such Commodity Tolls are otherwise payable by the Shipper for the day;
- d) in the case where the Shipper underutilizes Firm Transportation Service – Northern, Short Haul and incurs tolls for such AOS and Interruptible Transportation Service – Northern, Short Haul, a volume credit (without duplication of any other credit provided for in this Section) equal to the lesser of (i) the volume of such unutilized Firm Transportation Service – Northern, Short Haul for the day, and (ii) the volume of such AOS and Interruptible Transportation Service – Northern, Short Haul in respect of which such Commodity Tolls are otherwise payable by the

Shipper for the day;

- e) in the case where the Shipper underutilizes Firm Transportation Service – Northern, Long Haul and incurs tolls for such AOS and Interruptible Transportation Service – Northern, Long Haul, a volume credit (without duplication of any other credit provided for in this Section) equal to the lesser of (i) the volume of such unutilized Firm Transportation Service – Northern, Long Haul for the day, and (ii) the volume of such AOS and Interruptible Transportation Service – Northern, Long Haul in respect of which such Commodity Tolls are otherwise payable by the Shipper for the day; and
- f) in the case where the Shipper underutilizes Firm Transportation Service – Northern, Long Haul and incurs tolls for such AOS and Interruptible Transportation Service – Northern, Short Haul, a volume credit (without duplication of any other credit provided for in this Section) equal to the lesser of (i) the volume of such unutilized firm Transportation Service – Northern, Long Haul for the day, and (ii) the volume of such AOS and Interruptible Transportation Service – Northern, Short Haul in respect of which such Commodity Tolls are otherwise payable by the Shipper for the day.

CONTRACT DEMAND CREDITS

10. Westcoast will as soon as practicable following the end of each month, provide each Shipper which has entered into a Service Agreement for the provision of Firm Transportation Service – Northern or Temporary Firm Service, in each such month with Contract Demand Credits in respect of such Firm Transportation Service – Northern or Temporary Firm Service in an amount for each day in each such month equal to that determined in accordance with the General Terms and Conditions, provided that the amount of such Contract Demand Credits provided to each such Shipper for each such day shall not exceed the amount of the Demand Tolls applicable to the unutilized portion of such Firm Transportation Service – Northern or Temporary Firm Service after giving effect to all the underutilized demand charge credits provided to the Shipper in respect of such Firm Transportation Service – Northern or Temporary Firm Service for each such day.

APPENDIX A

**DEMAND AND COMMODITY TOLLS
TRANSPORTATION SERVICE – NORTHERN
LONG HAUL AND SHORT HAUL, AND
TEMPORARY FIRM SERVICE**

Firm Transportation Service – Northern

Service Term	Demand Tolls* \$/10 ³ m ³ /mo.	
	Long Haul	Short Haul
1 year	340.90	23.67
2 years	330.97	22.98
3 years	321.04	22.29
4 years	317.73	22.06
5 years or more	314.42	21.83

* The Long Haul Demand Tolls apply to all Relocated Service.

Plus the amount of tax on fuel gas consumed in operations payable under the *Motor Fuel Tax Act* (British Columbia), the *Carbon Tax Act* (British Columbia) and the *Climate Leadership Act* (Alberta) which is allocated to Shipper by Westcoast for each day in the month.

Temporary Firm Service

Demand Tolls* \$/10 ³ m ³ /mo.	
Long Haul	Short Haul
340.90	23.67

Plus the amount of tax on fuel gas consumed in operations payable under the *Motor Fuel Tax Act* (British Columbia), the *Carbon Tax Act* (British Columbia) and the *Climate Leadership Act* (Alberta) which is allocated to Shipper by Westcoast for each day in the month.

AOS and Interruptible Transportation Service – Northern

Months	Commodity Tolls* \$/10 ³ m ³	
	Long Haul	Short Haul
April to October	11.208	0.778
November to March	14.944	1.037

* The Long Haul Commodity Tolls apply to all AOS attributed to any Relocated Service.

Plus the amount of tax on fuel gas consumed in operations payable under the *Motor Fuel Tax Act* (British Columbia), the *Carbon Tax Act* (British Columbia) and the *Climate Leadership Act* (Alberta) which is allocated to Shipper by Westcoast for each day in the month.