

TRANSPORTATION SERVICE –SOUTHERN**DEFINITIONS**

1. In this Toll Schedule, the following terms shall have the following meanings:
 - a) "**Enhanced T-South Service**" means Transportation Service – Southern provided pursuant to a Service Agreement under which gas is to be delivered to the Huntingdon Delivery Area and, subject to the fulfillment of the conditions specified in the Service Agreement, to the Kingsgate Export Point;
 - b) "**Kingsgate Export Point**" means the point on the international boundary between Canada and the United States of America near Kingsgate, British Columbia, where the Foothills Pipe Lines (South BC) Ltd. pipeline facilities connect with the pipeline facilities of Gas Transmission Northwest Corporation; and
 - c) "**Service Term**" means in respect of each Firm Transportation Service – Southern specified in a Firm Service Agreement, the term of each such Firm Transportation Service – Southern as determined in accordance with Section 3.

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 – Southern, AOS and Interruptible Transportation Service – Southern, including Import Backhaul Service, provided by Westcoast on facilities in Zone 4 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 – Southern 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 – Southern 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 – Southern 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 such Firm Transportation Service – Southern 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 – Southern 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.

MONTHLY BILL - FIRM TRANSPORTATION SERVICE – SOUTHERN

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

less the amount of any Contract Demand Credits to which the Shipper is entitled for the month pursuant to the General Terms and Conditions.

MONTHLY BILL - AOS, INTERRUPTIBLE TRANSPORTATION SERVICE – SOUTHERN AND IMPORT BACKHAUL SERVICE

5. If on any day Shipper has unutilized Firm Transportation Service – Southern at a Delivery Point in Zone 4 and would incur on such day tolls for AOS and Interruptible Transportation Service, other than Import Backhaul Service, at that Delivery Point or at any other Delivery Point in Zone 4, then, notwithstanding the provisions of the General Terms and Conditions and for the sole purpose of determining the amount of the Commodity Tolls payable by Shipper in accordance with this Toll Schedule for AOS and Interruptible Transportation Service – Southern, the following rules shall apply:
 - a) firstly, in the case where Shipper would otherwise incur tolls on such day for AOS and Interruptible Transportation Service – Southern at a Delivery Point where Shipper has unutilized Firm Transportation Service – Southern, Shipper shall be deemed to have utilized Firm Transportation Service at such Delivery Point on such day in respect of a volume of gas not exceeding the volume of unutilized Firm Transportation Service at such Delivery Point;
 - b) secondly, in the case where a Delivery Point at which Shipper has unutilized Firm Transportation Service – Southern is within the Huntingdon Delivery Area and Shipper has any remaining volume of unutilized Firm Transportation Service at such Delivery Point after applying the rule set out in paragraph (a) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(a) of the General Terms and Conditions of a volume of gas not exceeding the amount of the remaining volume of unutilized Firm Transportation Service, from that Delivery Point to any other Delivery Point within the Huntingdon Delivery Area at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service – Southern;
 - c) thirdly, if Shipper has any remaining volume of unutilized Firm Transportation Service – Southern at any Delivery Point after applying the rules set out in paragraphs (a) and (b) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(c) of the General Terms and Conditions of a volume of gas not exceeding the amount of such remaining volume of unutilized Firm Transportation Service from such Delivery Point to the nearest Downstream Delivery Point at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service – Southern; and
 - d) fourthly, if Shipper has any remaining volume of unutilized Firm Transportation Service – Southern at any Delivery Point after applying the rules set out in paragraphs (a), (b) and (c) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(b) of the General Terms and Conditions of a volume of gas not exceeding the amount of such remaining volume of unutilized Firm Transportation Service, from such Delivery Point to the nearest Upstream Delivery Point at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service – Southern.

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6. The amount payable by a Shipper to Westcoast in respect of AOS, Interruptible Transportation Service – Southern, and Import Backhaul Service provided on each day in a 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, Interruptible Transportation Service – Southern and Import Backhaul Service, respectively, by the Receipt Volume for such AOS or Interruptible Transportation Service – Southern (as determined after applying the rules set out in Section 5) or for such Import Backhaul Service, respectively, 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, or (ii) transmitted through Zone 4 for the account of Shipper on each such day during the month;
 - b) the product obtained by multiplying the difference between the Commodity Tolls specified in Section 7.03 of the General Terms and Conditions by the volume of gas deemed to be diverted to a Downstream Delivery Point in accordance with Section 4(c) on each such day during the month; and
 - c) 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.

APPENDIX A

DEMAND AND COMMODITY TOLLS
TRANSPORTATION SERVICE – SOUTHERN

Firm Transportation Service – Southern

YEAR ROUND SERVICE

Service Term	Demand Tolls* \$/10 ³ m ³ /mo.			
	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	FortisBC Kingsvale to Huntingdon*
1 year	175.09	433.65	772.74	339.09
2 years	169.99	421.02	750.23	329.21
3 years	164.89	408.39	727.72	319.33
4 years	163.19	404.18	720.22	316.04
5 years or more	161.49	399.97	712.72	312.75

* For Firm Transportation Service – Southern provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

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) which is allocated to Shipper by Westcoast for each day in the month.

WINTER FIRM SERVICE

Service Term	Demand Tolls* \$/10 ³ m ³ /mo.	
	Huntingdon Delivery Area	
	WF Service November to March	Revertible WF Service*
1 year	1159.11	772.74
2 years	1125.35	750.23
3 years	1091.58	727.72
4 years	1080.33	720.22
5 years or more	1069.08	712.72

* WF Service which has been designated as Revertible WF Service pursuant to Section 21.10 of the General Terms and Conditions – Service to provide for firm transmission of residue gas in Zone 4 all days of the year.

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) which is allocated to Shipper by Westcoast for each day in the month.

AOS and Interruptible Transportation Service – Southern

Commodity Tolls* \$/10 ³ m ³				
Months	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	FortisBC Kingsvale to Huntingdon*
April to October	5.756	14.257	27.946	11.148
November to March	7.675	19.009	27.946	14.864

* For AOS provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

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) which is allocated to Shipper by Westcoast for each day in the month.

Import Backhaul Service

Commodity Tolls* \$/10 ³ m ³			
Months	Inland Delivery Area	PNG Delivery Point	Compressor Station No. 2
April to October	13.869	22.190	27.946
November to March	8.937	20.271	27.946

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) which is allocated to Shipper by Westcoast for each day in the month.