

MANITOBA) Order No. 12/04
)
THE PUBLIC UTILITIES BOARD ACT) February 3, 2004

BEFORE: G.D. Forrest, Chairman
Mario J. Santos, Member
M. Girouard, Member

**AN ORDER APPROVING THE TERMS AND CONDITIONS
OF CENTRA GAS MANITOBA INC.'S
SCHEDULE OF SALES AND TRANSPORTATION SERVICES AND RATES**

1.0 Background

In its General Rate Application, Centra Gas Manitoba Inc. (“Centra”) sought The Public Utilities Board’s (the Board”) approval of certain revisions to the Terms and Conditions of Service (“Ts and Cs”) in Centra’s Schedule of Sales and Transportation Services and Rates, including:

- Reconnect Fees of \$50 during regular business hours and \$65 outside of regular business hours;
- Retrieval of Customer Information Fees at the rate of \$55/hour if more than 30 minutes of staff time is required;
- Reinstallation Fees set at the cost of resetting a meter and regulator, if reinstalled within five years of removal;
- elimination of separate Legal Action fees as Centra seeks to recover the costs awarded by the courts;
- addition of a Co-Operative (Co-Op) Customer Class; and
- addition of a Power Station Customer Class.

2.0 Board Approval

In Order 118/03 the Board approved the proposed revisions to Centra’s Ts and Cs. In Order 125/03 the Board indicated it would further review and issue a separate Order respecting Centra’s Ts and Cs.

3.0 Board Findings

The Board finds the revisions made by Centra to the Ts and Cs to be consistent with the approvals granted in Order 118/03. The Board will therefore approve the revised Ts and Cs, as attached to this Order.

IT IS THEREFORE ORDERED THAT:

1. The revised Terms and Conditions, as included in Centra's Schedule of Sales and Transportation Services and Rates, attached as Appendix "A" and dated December 3, 2003, to this Order, BE AND ARE HEREBY APPROVED.

THE PUBLIC UTILITIES BOARD

"G. D. FORREST"
Chairman

"H. M. SINGH"
Acting Secretary

Certified a true copy of Order No. 12/04 issued
by The Public Utilities Board

Acting Secretary

CENTRA GAS MANITOBA INC.
**Schedule of Sales and Transportation
Services and Rates**

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1 **I. TERRITORY SERVED**

2
 3 This Schedule of Sales and Transportation Services and Rates applies to the following territory:
 4

District	Zone *	Area Definition
Brandon	B	Brandon (City), Cornwallis (R.M.), Elton (Forrest) (R.M.), Carberry, North Cypress (R.M.), Shilo (C.F.B);
Parkland	A	Dauphin (Town), Dauphin (R.M.),
	B	Gilbert Plains, Gilbert Plains (R.M.), Grandview, Grandview (R.M.), St. Lazare,
	C	Roblin (Town), Shell River (R.M.), Inglis, Shellmouth (R.M.), Boulten (R.M.), Russell (Town), Russell (R.M.), Harrowby, Binscarth;
Portage	A	Portage la Prairie (Town), Portage la Prairie (R.M.), MacGregor, St. Claude, North Norfolk (R.M.), Gray (R.M.), Southport (C.F.B.), Oakville, Cartier (R.M.), Elie, Starbuck, Dakota TIPI First Nation;
Steinbach	A	Ste. Anne, Ste. Anne (R.M.), Blumenort, New Bothwell, Niverville, Steinbach (Town), Hanover (R.M.), Otterburne, St. Pierre, Grunthal, Desalaberry (R.M.), La Broquerie (R.M.), Ritchot (R.M.), Mitchell, St. Malo, Dufrost, Hadashville, La Broquirie;
Westman	B	Blanchard (R.M.), Rivers (Town), 00-ZA-WE-KWUN, Odanah (R.M.), Minnedosa (Town), Hamiota (R.M.), Wallace (R.M.), Daly (R.M.), Boissevain, Morton (R.M.), Killarney, Turtle Mountain (R.M.), Deloraine, Winchester (R.M.), Elkhorn, Hamiota,
	C	Neepawa (Town), Langford (R.M.), North Cypress (R.M.), Virden, Miniota (R.M.), Miniota, Hartney, Cameron (R.M.), Melita, Arthur (R.M.), Brenda (R.M.), Glendwood (R.M.), Pipestone (R.M.), Souris, Odanah (R.M.),
Winkler	A	Altona, St. Joseph, Letellier, Montcalm (R.M.), Dominion City, Franklin (R.M.), Elm Creek, Dufferin (R.M.), Carman, Roland (R.M.), Stanley (R.M.), Morden (Town), Winkler, Plum Coulee, Rhineland (R.M.), Rosenort (U.V.D.), Schanzenfeld, Emerson, Gnadenfeld, Gretna, Morris, Reinfeld, Gray (R.M.), Morris (R.M.), St. Jean Baptiste;
Winnipeg	A	Winnipeg, Headingley, Ile Des Chênes, LaSalle, Landmark, Lorette, Dugald, Oakbank, Beausejour, Tyndall, Garson, Stonewall, Stony Mountain, Selkirk, Clandeboye, Petersfield, Matlock, Winnipeg Beach, Gimli, East St. Paul (R.M.), West St. Paul (R.M.), Lockport, Birds Hill, Oak Bluff, Brokenhead (R.M.), MacDonald (R.M.), Richot (R.M.), Rockwood (R.M.), Rosser (R.M.), Springfield (R.M.), St. Andrews (R.M.), St. Clements (R.M.), Tache (R.M.), Sandy Hook, St. Adolphe, Gimli, Reynolds (L.G.D.).

5
 6 Note: See Section IV General Terms and Conditions D) 11) b).
 7

1 **II. DEFINITION OF TERMS**

2
3 Except where the context expressly states another meaning, the following terms, when used in
4 this Schedule of Sales and Transportation Services and Rates, shall have the following
5 meanings:

- 6
7 A) "10³m³" means 1,000 Cubic Meters of gas.
8
9 B) "AGENCY AGREEMENT" means an agreement between a Customer and Broker, which
10 at a minimum, authorizes and requires the Broker to act on the Customer's behalf with
11 respect to natural gas service.
12
13 C) "AGENCY BILLING AND COLLECTION SERVICE" (or "ABC SERVICE") means a
14 service wherein the Company bills the Customer for gas sold by the Broker to the
15 Customer.
16
17 D) "AGENT" means a gas supply Broker acting on behalf of a Customer.
18
19 E) "ALBERTA BORDER" means the location(s) in Alberta and Saskatchewan, where
20 natural gas can be accepted into the TransCanada PipeLine system.
21
22 F) "ALTERNATE SUPPLY SERVICE" means any supply or source of gas that the
23 Company may offer from time to time, in lieu of curtailment, to Interruptible Sales Service
24 Customers.
25
26 G) "ANNUAL VOLUME DIFFERENCE" means, for purposes of Western Transportation
27 Service, the sum of the monthly Volume Differences for the twelve months of the Gas
28 Year.
29
30 H) "AUTHORIZED SALES VOLUME" means the volume of gas which the Company agrees
31 to sell to the Customer on a given day as specified in a Contract.
32
33 I) "BACKSTOP GAS" means that quantity of gas agreed upon by the Company and the
34 Customer which is to supplement, in whole or in part, an impairment to gas deliveries to
35 the Company by or for the Customer.
36
37 J) "BASE RATE" means the rate charged for a Service, not including any rate riders or
38 other adjustment factors.
39
40 K) "BASIC MONTHLY CHARGE" means a fixed monthly charge that reflects a portion of
41 the costs of being connected to the gas distribution system and is not related to the
42 volume of gas consumed.
43
44 L) "BOARD" means the Public Utilities Board of Manitoba.
45
46 M) "BROKER" means an entity authorized by the Public Utilities Board of Manitoba to sell
47 natural gas commodity.
48

- 1 N) "BROKER'S PRIMARY GAS PRICE" means the retail price charged by a Broker to a
2 Customer for sales of Primary Gas which is used by the Company to bill the Customer
3 under ABC Service.
4
- 5 O) "BUSINESS DAY" means any calendar day exclusive of Saturdays and Sundays and
6 exclusive of days which are statutory or legal holidays under the laws of Manitoba.
7
- 8 P) "COMPANY" means Centra Gas Manitoba Inc. and its successors and assigns.
9
- 10 Q) "CONTRACT YEAR" means a period of 12 or fewer consecutive months ending on
11 October 31.
12
- 13 R) "CONTRACT" means, for the purposes of these Terms and Conditions of Service and
14 the Rate Schedules into which they are incorporated, an agreement to provide service
15 either implied, written, or oral.
16
- 17 S) "CUBIC METER - DAY" ("m³/day") means the maximum volume of gas consumed in a
18 single 24 hour period.
19
- 20 T) "CUBIC METER" ("m³") means the volume of gas which occupies one cubic meter when
21 such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325
22 kilopascals absolute.
23
- 24 U) "CUSTOMER" (or "Consumer") shall include any person, firm, or corporation to whom
25 gas is delivered or any other goods or services, including attachment to the system, are
26 provided by the Company. No person, firm or corporation is a Customer in relation to
27 services provided under a "shared services agreement" or services received in the
28 recipient's capacity as a Broker.
29
- 30 V) "DAY" means a period of 24 consecutive hours beginning and ending at 9:00 a.m., in the
31 time zone in which deliveries are made. The reference date for any day shall be the
32 calendar date on which the 24 hour period shall commence.
33
- 34 W) "DELIVERY POINT" means the location at which the Company shall deliver gas to the
35 Customer.
36
- 37 X) "DELIVERED SERVICE" means natural gas supply purchased by the Company under
38 an arrangement which includes delivery of the natural gas to the Company's
39 transmission and distribution system.
40
- 41 Y) "DELIVERY SERVICE" means the transmission and distribution of natural gas from the
42 Receipt Point to the designated Delivery Point for the Customer.
43
- 44 Z) "FIRM DAILY CONTRACT DEMAND" means the maximum volume of gas which the
45 Company obligates itself to be ready to deliver and/or sell daily to the Customer's
46 Delivery Point on a Firm Service basis.
47
- 48 AA) "FIRM SERVICE" means gas service at one Delivery Point and separately metered
49 where the service may not be curtailed except for Force Majeure.
50

- 1 BB) "FUEL GAS" means the quantity of gas which is required to transport gas along the
2 TransCanada PipeLine system, or any other pipeline or storage system that is separate
3 from the Company's transmission and distribution system.
4
- 5 CC) "GAS" means natural gas having a gross heating value of not less than 36 megajoules
6 per Cubic Meter (950 Btu per cubic foot).
7
- 8 DD) "GAS LOAN" means the quantity of gas that must be exchanged between the Customer
9 and the Company for purposes of reconciling differences between Primary Gas Billed
10 and Primary Gas Delivered under Western Transportation Service.
11
- 12 EE) "GAS LOAN MECHANISM" means a mechanism for the exchange of Primary Gas and
13 financial payments between Brokers and the Company under Western Transportation
14 Service.
15
- 16 FF) "GAS YEAR" means a period of 365 consecutive days beginning on the first day of
17 November; provided however, that any such year which contains a date of February 29
18 shall consist of 366 days.
19
- 20 GG) "GROSS HEATING VALUE" means the total joules expressed in megajoules per Cubic
21 Meter (MJ/m³) produced by the complete combustion at constant pressure of one (1)
22 Cubic Meter of gas with air, with the gas free of water vapor and the temperature of the
23 gas, air and products of combustion to be at standard temperature and all water formed
24 by combustion reaction to be condensed to the liquid state.
25
- 26 HH) "GROUP" means a group of Customers designated by a Broker in a single agreement
27 under Western Transportation Service or ABC Service.
28
- 29 II) "INTERRUPTIBLE DAILY CONTRACT DEMAND" means the maximum volume of gas
30 which the Company obligates itself to be ready to deliver and/or sell daily to the
31 Customer's Delivery Point on an Interruptible Service basis.
32
- 33 JJ) "INTERRUPTIBLE SERVICE" means gas service at one point of delivery and separately
34 metered where, at any time, the service may be interrupted at the sole discretion of the
35 Company.
36
- 37 KK) "INTERCONNECT POINT" means the point on the TransCanada PipeLine system or
38 any other pipeline designated by such pipelines as their point of receipt.
39
- 40 LL) "JOULE" ("J") is the unit of energy measured as the work done when the point of
41 application of force of one newton is displaced a distance of one meter in the direction of
42 the force. The terms megajoule and gigajoule means 1×10^6 and 1×10^9 joules,
43 respectively.
44
- 45 MM) "LOAN PRICE" means the unit price used in determining the Value of the Gas Loan
46 included under Western Transportation Service.
47
- 48 NN) "MAXIMUM DAILY QUANTITY" means the maximum quantity of gas that the Company
49 will nominate on behalf of a Customer from the Customer's supplier for Primary Gas

- 1 supply on a given day. The Maximum Daily Quantity does not include Fuel Gas and
2 may be more than the Customer's Firm Daily Contract Demand.
3
- 4 OO) "MEDIUM PRESSURE" means the pressure that the Company utilizes in its distribution
5 system that is no greater than 60 pounds per square inch.
6
- 7 PP) "MONTH" means the period beginning at 9:00 a.m. on the first Day of the calendar
8 month and ending at the same hour on the first Day of the next succeeding calendar
9 month.
10
- 11 QQ) "MONTHLY BILLING DEMAND" means the highest daily consumption measured in
12 Cubic Meters on any given day of the month, provided the month is a Winter Month, or in
13 any Winter Month of the preceding eleven months. For Customers without twelve
14 months of demand billing data, the Monthly Billing Demand may be estimated or
15 otherwise specified by the Company.
16
- 17 RR) "MONTHLY DEMAND CHARGE" means a monthly charge that reflects the Customer's
18 use of the capacity of the system. The Monthly Demand Charge is calculated as the
19 Monthly Billing Demand for the month multiplied by the applicable unit demand rate.
20
- 21 SS) "NOMINATED VOLUME" means the quantity of gas expressed in gigajoules which the
22 Customer has arranged to deliver to the Receipt Point, and the Company has agreed to
23 receive, in a given day.
24
- 25 TT) "NORMAL YEAR GAS REQUIREMENTS" means the annual gas requirements that
26 would be required under weather conditions determined from a ten-year rolling average
27 as calculated from time to time by the Company.
28
- 29 UU) "PREMISES" means the location specified in an application for service, or such other
30 location to which the Company delivers gas.
31
- 32 VV) "PRIMARY GAS" means the gas requirements that may be served with gas from
33 Western Canada which is received at the Alberta Border.
34
- 35 WW) "PRIMARY GAS BILLED" means the quantity of Primary Gas calculated to have been
36 consumed, as rendered by the Company on bills to Customers, in accordance with the
37 Company's practices.
38
- 39 XX) "PRIMARY GAS DELIVERED" means the quantity of Primary Gas delivered by the
40 Broker to the Company as part of the Western Transportation Service Agreement.
41
- 42 YY) "RECEIPT POINT" means the interconnection between the Company's transmission and
43 distribution system and TransCanada PipeLines transmission system.
44
- 45 ZZ) "SALES SERVICE" means gas service in which the Company procures gas volumes to
46 satisfy the Customer's gas requirements.
47
- 48 AAA) "SERVICE LINE" means that portion of the Company's distribution system used for the
49 delivery of gas from the main to the inlet side of the meter assigned to the Customer.
50

- 1 BBB) "STANDARD PRESSURE" means an absolute pressure equal to 101.325 kPa at 15
2 degrees Celsius.
3
- 4 CCC) "SUPPLEMENTAL" means the quantity of gas, exclusive of Alternate Supply provided to
5 Interruptible Customers, that is provided by the Company in order to meet gas
6 requirements in excess of the portion of requirements that can be met by Primary Gas.
7
- 8 DDD) "TRANSCANADA" means TransCanada PipeLines Limited.
9
- 10 EEE) "TRANSPORTATION SERVICE (T-SERVICE)" means transmission and/or distribution
11 of Customer-owned gas on the Company's system as defined in the Contract between
12 Customer and the Company.
13
- 14 FFF) "VALUE OF THE GAS LOAN" means the amount of money equal to the quantity of the
15 Gas Loan multiplied by the Loan Price as part of Western Transportation Service.
16
- 17 GGG) "VOLUME DIFFERENCE" means the difference between the Primary Gas Delivered and
18 the Primary Gas Billed under Western Transportation Service expressed in Cubic
19 Meters.
20
- 21 HHH) "VOLUMETRIC CHARGE" mean a charge based on the volume of natural gas
22 measured over an extended period of time, such as a monthly billing period.
23
- 24 III) "WINTER MONTH" means the months of November, December, January, February, and
25 March.
26
- 27 JJJ) "YEAR" means a period of 365 consecutive days; provided however, that any such year
28 which contains a date of February 29 shall consist of 366 days.
29

1 **III. DESCRIPTION OF AVAILABLE RATES AND SERVICES**
2

3 This section provides general descriptions of the rates and services offered by the Company
4 and other related matters. The descriptions provided in this section are not comprehensive and
5 may be changed by the Company at any time. The characteristics and charges associated with
6 any of the following services may be changed at any time subject to Board Approval.
7

8 The Company offers two basic services. These are Sales Service, where the Company provides
9 some of the Customer's gas requirements, and Transportation Service, where the Company
10 does not provide any of the Customer's gas requirements.
11

12 **Sales Service** is a service in which the Company procures and manages gas supplies, and
13 arranges the delivery of those supplies to the Customer. Sales Service consists of four distinct
14 components: Primary Gas; Supplemental Gas; Transportation to Centra; and Distribution to
15 Customer. **Primary Gas** is natural gas procured at the Alberta Border. Sales Customers may
16 choose to purchase Primary Gas from either the Company or an alternative supplier.
17 **Supplemental Gas** is natural gas procured from all other sources. The Company provides
18 Supplemental Gas to all Sales Customers, regardless of the source of the Customer's Primary
19 Gas. **Transportation to Centra; and Distribution to Customer** includes the management of
20 all gas, including transportation to Manitoba, and the transmission and delivery of that gas to
21 Customers. **Transportation Service** ("T-Service") allows a Customer to procure and deliver its
22 own natural gas supplies to the Company's Receipt Point. The Company's T-Service is the
23 agreement under which the Company delivers that natural gas from the Receipt Point to the
24 Customer's facility. Special Terms and Conditions of Transportation Service are covered in
25 Section V.
26

27 Sections IX and X set out the specific rates for both Sales Service and T-Service.
28

29 **A) OPTIONAL SERVICE OFFERINGS:**
30

31 **1) Western Transportation Service**

32 The Company manages and delivers Broker-provided Primary Gas from the Alberta
33 Border to the Customer's facility. The Company then delivers this gas to the Customer
34 or otherwise as appropriate. An Agency Agreement between the Customer and the
35 Broker, and a separate Western Transportation Service Agreement between the
36 Customer, the Broker and the Company are required to take this service, which may be
37 executed on behalf of the Customer by the Broker as the Customer's agent. Western
38 Transportation Service is subject to the Special Terms and Conditions as set forth in
39 Section VII hereof. Western Transportation Service Customers are eligible for Alternate
40 Supply Service and Backstopping Service as described in the Optional Service Offerings
41 provided herein.
42

43 Agency Billing and Collection ("ABC") Service is offered in conjunction with Western
44 Transportation Service. ABC Service allows the Company to bill the Customer for
45 Primary Gas on behalf of the Broker, using the Broker's Primary Gas Price. The
46 Customer makes a single payment to the Company. ABC Service is mandatory for
47 Western Transportation Service Customers in the SGC and LGC classes, and optional
48 for Customers in the High Volume Firm, Mainline and Interruptible classes, as agreed to
49 between the Customer, the Broker and the Company.
50

1 **2) Alternate Supply Service**

2 The Company may provide, on a best efforts basis, Alternate Supply Service on an
3 interruptible basis to Interruptible Customers requesting such service, who otherwise
4 would be interrupted by the Company for supply reasons. Alternate Supply Service may
5 be arranged by the Company at prices in accordance with the provisions of Section VI
6 hereof.

7
8 **3) Backstopping Service**

9 The Company may provide Backstopping Service, if requested, on a best efforts basis
10 to T- Service, Buy/Sell and Western Transportation Service Customers whose gas
11 supply fails or cannot be delivered to the Company's distribution system.

12
13 **4) Short Term Interruptible Transportation Service**

14 During periods where curtailment would otherwise be implemented, the Customer may
15 elect to provide its own gas supply delivered to the Company's Receipt Point in lieu of
16 Company provided gas supply. The Customer's gas supply will be transported to the
17 Delivery Point under the Short Term Interruptible Transportation Service.

18
19 **B) SERVICE OFFERINGS BY SERVICE CLASSIFICATION:**

20
21 Customers are classified as either Small General Class, Large General Class, High Volume
22 Firm Class, Co-op Class, Interruptible Class, Mainline Class, Special Contract Class or Power
23 Station Class.

24
25 **1) Small General Class ("SGC")**

26 While meter size does not determine which class a Customer is in, SGC Customers, as
27 general guide, receive gas through one meter of the type and capacity typically installed
28 for individual residences. Sales Service and the Optional Service offerings associated
29 therewith are the only services available to these Customers. T- Service is not available.
30 Service is on a firm basis and the charges include a Basic Monthly Charge, a Primary
31 Gas charge, a Supplemental Gas charge, a Transportation to Centra charge; and a
32 Distribution to Customer Volumetric Charge as described in Sections IX and X of this
33 Schedule of Sales and Transportation Services and Rates. All Customers with annual
34 consumption of less than 680,000 m³ are eligible for this rate.

35
36 Customers that are eligible for this class may elect to be reclassified as Large General
37 Class instead, however, that election will remain in effect until a subsequent election is
38 made and each election must remain effective for a minimum of one year.

39
40 Customers in this class are eligible for Buy/Sell Service or Western Transportation
41 Service as described in the Optional Service Offerings as provided herein.

42
43 **2) Large General Class ("LGC")**

44 While meter size does not determine which class a Customer is in, LGC Customers, as
45 a general guide, receive gas through one meter of the type and capacity not commonly
46 installed for individual residences. These Customers may elect to receive either Firm
47 Sales Service or Firm Transportation Service. The charges include a Basic Monthly
48 Charge, a Primary Gas charge, a Supplemental Gas charge, a Transportation to Centra
49 charge; and a Distribution to Customer Volumetric Charge as described in Sections IX
50 and X of this Schedule of Sales and Transportation Services and Rates. All Customers

1 with annual consumption of less than 680,000 m³ are eligible for this class. Customers
2 who are eligible for this class may elect to be reclassified as SGC. That election,
3 however, will remain in effect until a subsequent election is made and each election
4 must remain effective for a minimum of one year.

5
6 Sales Customers in this class are eligible for Buy/Sell Service or Western Transportation
7 Service as described in the Optional Service Offerings provided herein. Transportation
8 Service Customers in this class are eligible for Backstopping Service as described in the
9 Optional Service Offerings provided herein.

10
11 **3) High Volume Firm (“HVF”) Class**

12 HVF Customers receive gas on a firm basis through one meter, where annual
13 consumption equals or exceeds 680,000 m³. These Customers may elect to receive
14 either Firm Sales Service or Firm Transportation Service. The charges include a Basic
15 Monthly Charge, a Monthly Demand Charge, a Primary Gas charge, a Supplemental
16 Gas charge, a Transportation to Centra charge, and a Distribution to Customer
17 Volumetric Charge as described in Sections IX and X of this Schedule of Sales and
18 Transportation Services and Rates. Customers desiring this service must execute a
19 binding agreement with the Company with a minimum term of one year.

20
21 Sales Customers in this class are eligible for Buy/Sell Service or Western Transportation
22 Service as described in the Optional Service Offerings provided herein. Transportation
23 Service Customers in this class are eligible for Backstopping Service as described in the
24 Optional Service Offerings provided herein.

25
26 **4) Co-op (“Co-op”) Class**

27 Co-op Customers receive gas through one meter where the Customer is served directly
28 from the Company’s medium pressure transmission system or through dedicated
29 distribution facilities at pressures in excess of medium pressure and whose annual gas
30 requirements are less than 680,000 m³. Co-op customers must distribute gas and be
31 regulated by the PUB. Co-op Customers must contract with the Company for 12 months
32 or longer for firm year-round service, and have a load factor of less than 40%.

33
34 Co-op Customers may elect Firm Sales Service, or Firm Transportation Service. The
35 charges include a Basic Monthly charge, a Monthly Demand charge, a Primary Gas
36 charge, a Supplemental Gas charge, a Transportation to Centra charge, and a
37 Distribution to Customer Volumetric Charge as described in Sections IX and X of this
38 Schedule of Sales and Transportation Services and Rates. This service may be subject
39 to Special Terms and Conditions as specified in sections V and VI.

40
41 Sales Customers in this class are eligible for Western Transportation Service as
42 described in the Optional Service Offerings provided herein. T-Service Customers in
43 this class are eligible for Backstopping Service as described in the Optional Services
44 Offerings provided herein.

45
46 **5) Interruptible Class (“IC”)**

47 Interruptible Customers receive gas through one meter where the service may be
48 interrupted by the Company from time to time upon notice to the Customer.
49 Interruptible Service is available only in situations where, in the sole opinion of the
50 Company, a benefit exists for the Company or other Customers. Interruptible Service is

1 available to Customers whose annual gas requirements equal or exceed 680,000 m³
2 and who contract for such service for a minimum of one year, or to Customers that have
3 received Interruptible Service continuously since December 31, 1996. Sales Service or
4 Transportation Service are available. The charges include a Basic Monthly Charge, a
5 Monthly Demand Charge, a Primary Gas charge, a Supplemental Gas charge, a
6 Transportation to Centra charge, and a Distribution to Customer Volumetric Charge as
7 described in Sections IX and X of this Schedule of Sales and Transportation Services
8 and Rates. Interruptible Service is subject to Special Terms and Conditions of Service
9 as set out in Sections V and VI, which also includes penalties for failure to comply with
10 the Terms and Conditions of the service.

11
12 Sales Customers in this class are eligible for Buy/Sell Service, Short Term Interruptible
13 Transportation Service, Western Transportation Service, and/or Alternate Supply
14 Service as described in the Optional Service Offerings provided herein. T-Service
15 Customers in this class are eligible for Backstopping Service as described in the
16 Optional Service Offerings provided herein.

17
18 **6) Mainline Class (“MLC”)**

19 Mainline Customers receive gas through one meter where the Customer is served
20 directly from the Company’s transmission system or through dedicated distribution
21 facilities at pressures in excess of medium pressure and whose annual gas
22 requirements equal or exceed 680,000 m³ and who contract for such service for a
23 minimum of one year. Mainline Customers may elect Firm Sales Service, Interruptible
24 Sales Service (in conjunction with Firm Delivery Service), or Firm Transportation
25 Service. The charges include a Basic Monthly Charge, a Monthly Demand Charge, a
26 Primary Gas charge, a Supplemental Gas charge, a Transportation to Centra charge,
27 and a Distribution to Customer Volumetric Charge as described in Sections IX and X of
28 this Schedule of Sales and Transportation Services and Rates. This service may be
29 subject to Special Terms and Conditions as specified in sections V and VI.

30
31 Sales Customers in this class are eligible for Buy/Sell Service, Alternate Supply Service,
32 Short Term Interruptible Transportation Service and/or Western Transportation Service
33 as described in the Optional Service Offerings provided herein. T-Service Customers in
34 this class are eligible for Backstopping Service as described in the Optional Service
35 Offerings provided herein.

36
37 **7) Special Contract Class**

38 The Company provides Special Contract service through a written agreement between
39 the Company and a Customer which governs the gas service to the Customer. Special
40 Contract Service may include Sales Service and/or a Transportation Service. This
41 service will be governed by the terms of the individual contract.

42
43 **8) Power Station Class**

44
45 The Company provides service to electrical generating stations which use natural gas in
46 the production of electricity through a written agreement between the Company and the
47 Customer which governs the gas service to the Customer. Power Station Service may
48 include Sales Service and/or Transportation Service. This service will be governed by
49 the terms of the individual contract.

1 **IV. GENERAL TERMS AND CONDITIONS**

2
3 This Section IV deals with sales, delivery, and transportation services provided by the
4 Company.

5
6 **A) CONTRACT FOR SERVICE**

7
8 **1) General**

9 a) These General Terms and Conditions shall apply to all contracts (howsoever
10 created) for gas service under any of the Company's rate schedules or service
11 classifications, including Special Contracts; provided that, if the provisions of any
12 explicit Contract conflict with these Terms and Conditions, the provisions contained
13 in the explicit Contract shall prevail.

14
15 b) These General Terms and Conditions may, subject to approval by the Board, be
16 added to, altered, or amended by the Company from time to time and any such
17 addition, alteration, or amendment shall become effective upon Order of the Board.

18
19 **2) Application for Service**

20 a) Application for a service line shall be made on a form provided by the Company. The
21 application, when signed by the Customer and accepted by the Company, shall
22 become a contract for gas service.

23
24 b) Verbal application for gas service to premises having existing facilities may be
25 accepted by the Company. In such cases, a contract is deemed to be made
26 between the Company and the Customer.

27
28 c) When two or more rates and/or services are available to a Customer, the Customer
29 may elect the rates and/or services to be provided to the Customer. In the event that
30 an election is not specified, the Company will make an election. The Customer may
31 make an alternative election at any time subject to reasonable notice. The
32 Customer, having made an election, must remain with that rate and/or service for a
33 period of not less than twelve months following the effective date of the election. All
34 elections are prospective only.

35
36 **3) Termination**

37 The Customer may terminate the contract by providing no less than seven (7) days
38 notice to the Company, to be effective on the later of seven (7) days following receipt of
39 such notice by the Company or the date specified in such notice by the Customer.
40 Notwithstanding any such termination, the Company retains its rights of access as noted
41 in Paragraph IV B) 8) to its equipment on or in the Customer's property and the
42 Customer remains liable to the Company for any amounts payable under the contract of
43 service up to the latter of the date of termination, or the remaining period of the contract.
44 Any additional contracts or agreements in place between the Customer and the
45 Company remain subject to the termination provisions contained therein.

46
47 **4) Easements and Rights-of-Way**

48 a) If, before the point of entry at the Premises, a service line must cross property owned
49 by some person other than the Customer, the Company shall obtain from such

1 person a written consent or easement for the installation and maintenance of the
2 service line and related facilities.

- 3
4 b) If the Customer is not the registered owner of the Premises, the Customer shall
5 obtain for the Company from the said owner the necessary consent or easement in
6 writing for the installation and maintenance in said Premises of all necessary facilities
7 for supplying gas; provided that the Company may, at its option, itself acquire such
8 consent or easement.
9

10 **5) Assignment**

11 All contracts for service shall be binding upon, and inure to the benefit of, the parties
12 hereto and their respective successors and assigns, but shall not be assigned or be
13 assignable by the Customer without the consent in writing of the Company first being
14 obtained which consent may be withheld by the Company.
15

16 **6) Representation**

17 No agent, representative, or employee of the Company has the authority to make any
18 promise, agreement, or representation not incorporated within the Company's Schedule
19 of Sales and Transportation Services and Rates or executed through a contract for
20 service, and any such promise, agreement, or representation shall not bind the
21 Company.
22

23 **7) Resale of Gas**

24 Gas taken by a Customer at a delivery point shall not be resold, except as permitted by
25 Law.
26

27 **8) Rates and Charges**

28 In connection with a contract for service, the Customer shall pay the Company at the
29 rates approved from time to time by the Board or other regulatory body having
30 jurisdiction, and shall pay any other charges validly in effect from time to time.
31

32 **9) The Public Utilities Board Act to Prevail**

33 The provisions of these Terms and Conditions of Service are subject at all times to all
34 applicable Federal, Provincial, and Municipal Legislation including The Public Utilities
35 Board Act (Manitoba) as amended from time to time, or such other legislation as may be
36 enacted in replacement thereof and any lawful Orders of the Board. In the event of any
37 conflict between the provisions of these Terms and Conditions, the provisions of the
38 aforesaid Legislation, or any lawful Order of the Board, the provisions of the said
39 Legislation or Order shall prevail.
40

41 **B) SERVICE CONNECTION AND CHARGES**

42
43 **1) Authority for Work**

44 No changes, extensions, replacements, repairs, connections, or disconnections to, of, or
45 from the Company's system shall be made except by the Company's duly authorized
46 employees, agents, or contractors.
47

48 **2) Installation Policy**

49 Subject to IV B) 3) hereof, where the Company's main is adjacent to the Customer
50 Premises, the Company will install, at no additional charge to the Customer, a service

1 line from the main to a meter location selected by the Company, except that where the
2 distance from the property-line crossed by the service line to the entry-point or meter
3 exceeds forty-six meters (150 feet), the Company may invoke and the Customer shall
4 pay an excess distance charge. The Company reserves the right to conduct a feasibility
5 study on each applicant or project and charge an applicable contribution in aid of
6 construction for that Customer and/or any and all Customers in a project, which
7 contribution shall be paid (or suitable arrangements made in lieu thereof to the
8 satisfaction of the Company) prior to commencement of construction.
9

10 **3) Right of Refusal to Install**

11 The Company may refuse to install a service line if, in the Company's opinion, such
12 installation is not reasonable and practical and would not furnish sufficient business to
13 justify the construction and maintenance thereof, and neither acceptance of an
14 application from nor any cash deposit from the Customer shall be construed as a
15 commitment by the Company to install any service line.
16

17 **4) Location of Service and Meter**

18 The Company will designate the location of the service lines, meters, and regulators,
19 and will determine the amount of space that must be left unobstructed for the installation
20 and maintenance of such equipment.
21

22 **5) Service Relocation Charge**

23 Where the Customer requests, or where the Customer's conduct requires, that the
24 service line enter the Premises at a point or follow a route different from that chosen by
25 the Company, it must conform to existing codes and regulations, and the Company may
26 charge and the Customer shall pay for all extra costs incurred in installing the service
27 line in accordance with the Customer's request, provided that nothing herein obligates
28 the Company to install the service line to such alternate point or along such alternate
29 route.
30

31 **6) Meters Installed Within Premises**

32 If the Company has designated an inside meter location, the meter will be installed as
33 close to the service entry point as allowed by existing codes and regulations. Where the
34 Customer desires a meter location other than that chosen by the Company, it must
35 conform to existing codes and regulations, and the Customer will be charged the cost of
36 installing all piping in excess of the amount required by the Company's choice of
37 location. All piping, and other equipment if any, between the main and the meter remains
38 the property of the Company.
39

40 **7) Additional Meters Installed Within Premises**

41 Additional meters may be installed on request at the Customer's expense. The Company
42 reserves the right to refuse installation of additional meters where such installation is not
43 reasonably necessary for the Customer's purposes.
44

45 **8) Access to Property**

46 The Customer grants the Company full power, right, and liberty to enter the lands upon
47 which the Premises are situated to break the surface and make necessary excavations
48 for the purpose of locating, installing, repairing, replacing, maintaining, and inspecting all
49 facilities on the said lands. The Company shall do as little damage and cause as little
50 inconvenience as is reasonably possible in doing such work, and shall restore the

1 property as nearly as is reasonably practical, to its former state provided at all times that
2 the Company shall not be obligated to remove its pipelines or other equipment.
3

4 **9) Commencement of Use of Gas**

5 The Customer agrees to commence using gas on the Premises within six (6) months of
6 the date of installation of the facilities. Failing to so commence, after the sixth month the
7 Customer shall pay the Company's approved Basic Monthly Charge, or at the
8 Company's option, shall pay the full cost of the installation and removal of services.
9

10 **10) Timing of Installation**

11 The Company reserves the right to determine the timing of the installation of service
12 when by reason of weather, conditions of excavation, and/or other circumstances
13 beyond its control, it is deemed inadvisable to install facilities.
14

15 **11) Gratuities**

16 Employees of the Company are expressly forbidden to solicit or accept any gratuities
17 from the Customer.
18

19 **C) CONSUMER CONTRIBUTIONS IN AID OF CONSTRUCTION**

20 **1) Refundable Contributions**

21
22 Where the Company deems anticipated revenue from the Customer insufficient to justify
23 an extension of its distribution system, it may require the Customer to pay a contribution
24 in aid of construction of the extension. The contribution will be refunded within five (5)
25 years under the following circumstances:
26
27

- 28 a) Full Refund: if, in the sole opinion of the Company, sufficient new Customers or
29 loads are attached to the extension to make it economically feasible, a full refund of
30 the original contribution will be made.
31
32 b) Partial Refund: if, in the sole opinion of the Company, new Customers or loads are
33 attached to the extension, but total anticipated revenue from the extension is
34 insufficient to prevent it from being a burden to the Company's other existing
35 Customers, the additional loads will be considered in re-evaluating the original
36 contribution and such re-evaluation may enable a refund to the original Customer to
37 a maximum of the original contribution. Any portion of the refundable contribution not
38 refunded at the end of five (5) years will become a non-refundable contribution.
39
40 c) Any refund that may be due to the Customer will first be applied to any outstanding
41 amounts due to the Company by the Customer. Any remaining balance will be
42 refunded to the Customer.
43

44 **2) Non-Refundable Contributions**

45 Where the Company deems that projected revenue from all potential added connections
46 will be inadequate to prevent an undue burden on existing Customers, it may require the
47 Customer to pay a non-refundable contribution in aid of construction of the extension.
48

49 **D) MEASUREMENT BILLING AND PAYMENT**

50

1 **1) Meters and Regulators**

2 The Company shall install on the Customer's Premises, at a point to be selected by the
3 Company, such meter(s), regulator(s), and/or other equipment as the Company deems
4 necessary, which shall be and remain the property of the Company.
5

6 **2) Testing Measurement Equipment**

7 a) In the event that the Customer requests under the Electricity and Gas Inspection Act
8 for the testing of the measurement equipment, and by such testing it is found that the
9 measurement equipment is recording within the allowable tolerances as specified in
10 the Regulations under the said Act, all previous readings shall be deemed to be
11 correct and the Customer shall pay to the Company its charge for testing and
12 changing the equipment. If the measurement equipment is found to be recording
13 outside of allowable tolerances, the cost of testing and changing the meter will be
14 borne by the Company and a correction in billing shall be made as set out in IV D) 4)
15 hereof.
16

17 b) The accuracy of measuring equipment shall be verified by the Company at
18 reasonable intervals, but shall not be required more frequently than once in any thirty-
19 day period. In the event either party shall notify the other that it desires a special test
20 of any measuring equipment the parties shall co-operate to secure a prompt
21 verification of the accuracy of such equipment. The expense of any such special test
22 shall be borne by the requesting party if the equipment tested is found to be in error
23 by not more than 2%.
24

25 c) If, upon test, any measuring equipment is found to be in error by not more than 2%,
26 then previous recordings of such equipment shall be considered accurate in
27 computing deliveries of gas. However, the equipment shall be adjusted at once to
28 read as accurately as possible.
29

30 d) If, for the period since the last preceding test, it is determined that any measuring
31 equipment is found to be inaccurate by an amount exceeding 2% for such period,
32 then the previous readings of measurement equipment shall be corrected for any
33 period during which the measuring equipment was known to be inaccurate. In such
34 situations, corrections for billing purposes shall be in accordance with section IV D)
35 4).
36

37 **3) Meter Reading**

38 Meters shall be read with such frequency as the Company may decide. The Company
39 shall have the right at any time to estimate Customer consumption and to render a bill
40 based upon such estimated consumption. Should the number of consecutive estimated
41 readings exceed five (5), the Company shall, subject to its ability to gain access to the
42 Customer's Premises, read the meter. Notwithstanding the foregoing, the Company
43 may, at its option, require the Customer to read the meter and report such reading in the
44 manner specified by the Company.
45

46 **4) Failure of Measurement Equipment to Register Properly**

47 If the measurement equipment ceases to register properly, the quantity of gas used will
48 be determined by the most appropriate method, as determined in the sole opinion of the
49 Company. Such methods may include but not be limited to:
50

- 1 a) mathematical calculations and comparisons including prevailing ratio with a parallel
2 meter,
3
4 b) the use of the Customer's check measuring equipment, and
5
6 c) the amount consumed during the corresponding period of the previous month(s) or
7 year(s), giving due consideration to the weather, processing, and connected load, or
8
9 d) if no such information exists, the Company's best estimate, having regard to the
10 circumstances.

11
12 A correction in billing shall be made for the period that the measurement equipment
13 failed to register properly, not exceeding two (2) years retroactive from the date of
14 discovery.

15
16 **5) Billing**

17 Bills will be rendered monthly or by such other period as the Company may determine
18 and the Customer shall pay rendered accounts by the due date specified on the bill. The
19 Company shall assess, and the Customer shall pay, a late payment charge as specified
20 in the rate schedule on all accounts remaining unpaid after the due date. The
21 Company's records of the date of mailing or delivery of bills shall be conclusive evidence
22 of the date of rendering. For purposes of computing monthly bills, "month" shall mean a
23 billing period of approximately thirty (30) days. Bills computed for periods longer or
24 shorter than one month in this context shall be prorated, including fixed charges such as
25 the Basic Monthly Charge and the Monthly Demand Charge where applicable.

26
27 Where bills have been rendered, and it is subsequently determined that they have been
28 incorrectly calculated for reasons other than Failure of Measurement Equipment to
29 Register Properly, they shall be recalculated and submitted for payment by the
30 Customer or Refund by the Company. In such situations the recalculations may be
31 retroactive for a maximum period of six years. No penalty or interest shall be included on
32 such rebilled amounts during the retroactive period. Interest charges and/or late
33 payment charges may begin after the due date as specified on the bill when rendered for
34 the corrected amounts.

35
36 **6) Guarantee Deposit**

37 Applicants for service may, at the option of the Company, be required to provide a
38 guarantee of payment in the form of a deposit, letter of credit, or other guarantee
39 suitable to the Company. The amount of such guarantee shall not normally exceed the
40 total of estimated billings to the Customer for the three (3) month period of maximum
41 consumption. Guarantee amounts may be assessed at the discretion of the Company.
42 The guarantee is security against any outstanding indebtedness of the Customer, and
43 may, at the Company's discretion, be held by the Company until the Customer
44 discontinues the use of gas at the Premises and the contract is terminated, or the
45 guarantee or part thereof may be applied from time to time against the outstanding
46 indebtedness of the Customer and any amount so applied shall forthwith be paid to the
47 Company by the Customer to replenish such guarantee. The amount of such guarantee
48 is not transferable or assignable.
49

1 If the guarantee is provided by way of a deposit, the Company shall annually credit
2 interest on the deposit at the Board-approved short-term cost of debt.

3
4 The deposit shall cease to draw interest at the earliest of; the date it is returned to the
5 Customer, the date notice is sent to the Customer's last known address that the
6 guarantee is no longer required, the date the deposit is applied against the outstanding
7 indebtedness of the Customer, or the date when service is final billed.

8
9 In the event of termination of the contract between the Company and the Customer,
10 such deposit plus accrued interest, less any amount owed to the Company, will be
11 refunded.

12
13 **7) Budget Billing Plan**

14 The Company may, at its discretion, permit the Customer to pay fixed monthly
15 installments on account of services and/or gas consumed or to be consumed by the
16 Customer during all or any part of a period.

17
18 The Company shall fix the amount of the monthly installments on the basis that the
19 installments to be paid shall total the sum which would be payable under the Company's
20 rate schedule for the amount of gas or services which the Company estimates would be
21 consumed on the Premises during the period in which the Customer is to pay such
22 installments (herein called, "the budget period").

23
24 The Customer may terminate the Budget Billing Plan at any time by giving seven (7)
25 days' prior notice of termination to the Company and the Company may terminate the
26 Budget Billing Plan at any time in the event that the Customer ceases to be a Customer,
27 or if the Customer has not maintained payment of installments to the Company's
28 satisfaction.

29
30 Upon the expiration of the budget period or its earlier termination as referred to above,
31 the amount that would be payable to the Company by the Customer pursuant to the rate
32 schedule for gas actually consumed from the beginning of the budget period to its end or
33 earlier termination, shall be compared with the aggregate of the monthly installments
34 actually paid by the Customer during such time, and if the amount payable exceeds the
35 aggregate of the amounts actually paid, such excess shall be paid by the Customer to
36 the Company, or if the amount actually paid exceeds the amount payable, such excess
37 shall be paid or credited by the Company to the Customer.

38
39 The Company may, at any time, revise its estimate of a Customer's gas consumption,
40 and accordingly, may increase or decrease the amount of monthly installments payable
41 by the Customer. In addition, the monthly installments may be adjusted to reflect
42 approved rate changes.

43
44 **8) Returned Cheques**

45 When a Customer's cheque is returned by banks or other financial institutions for any
46 reason, a returned cheque charge will be assessed to the Customer. The amount of this
47 charge will be as determined from time to time by the Company, subject to Board
48 approval.

49
50 **9) Taxes**

The rates and charges referred to in these Terms and Conditions do not include taxes or other amounts which the Company may be required to collect from Customers.

10) Late Payment Charge

A late payment charge shall be charged on the dollar amount owing after each billing due date. The due date will be at least 14 days after the mailing of the bills.

11) Measurements

The volume and gross heating value of gas shall be determined as follows:

a) **Unit of Gas:** The unit of gas sold to or transported for the Customer shall be a volume of gas measured according to Boyle's Law for the measurement of gas under varying pressures and on the measurement basis set out in paragraph b) below. Where appropriate, proper corrections shall be made for the specific gravity and flowing temperatures of the gas and for deviation from Boyle's Law as provided in paragraph b) below.

b) **Determination of Volume,** for the purpose of measurement, the unit of volume shall be one Cubic Meter of gas at a temperature of 15 degrees Celsius and at a pressure of 101.325 kilopascals absolute. For the purpose of measurement of gas delivered by the Company the average absolute atmospheric (barometric) pressure at such delivery points shall be assumed to be constant during the term thereof, regardless of variations in actual barometric pressure from time to time, and shall be assumed to be the following for each delivery point within the applicable Manitoba Sales Districts and Zones (see Section I: Territory Served):

<u>Zone</u>	<u>Average Absolute Atmospheric (Barometric) Pressure (PSIA)</u>
A	14.30
B	14.05
C	13.87

c) **The gross heating value** of the gas per Cubic Meter at any delivery point shall be as determined by TransCanada PipeLines Limited ("TCPL").

d) **The flowing temperature** of the gas shall be, in the case of non-orifice measurement devices, in accordance with the recommendation of the equipment's manufacturer. Integrating devices for automatically correcting volumes for flowing temperature may be used as the Company deems necessary.

e) **The specific gravity** of the gas delivered shall be as determined by TCPL.

f) **When gas is measured** by means of an orifice meter or meters, the factor for correction for deviation from Boyle's Law shall be computed in accordance with the

1 American Gas Association's Tables published for that purpose together with
2 amendments and supplements, using the daily arithmetic averages of temperatures,
3 pressure, specific gravity, and a representative gas analysis as required by the
4 tables. When gas is measured by means other than an orifice meter, the factor for
5 correction for deviation from Boyle's Law shall be the square of the factor determined
6 by following the above described method for use with orifice meters.
7

8 **12) Determination of Monthly Billing Demand**

9 The Monthly Billing Demand that will be used to calculate the Customer's Monthly
10 Demand Charge shall be determined as follows:
11

12 a) **Monthly Billing Demand** will be the highest daily consumption, subject to sections
13 V F) 3), V G) 6), VI C) 4), and VI D) 7), measured in Cubic Meters on any given day
14 of the month, provided the month is a Winter Month, or in any Winter Month of the
15 preceding eleven months. For Customers without twelve months of demand billing
16 data, the Monthly Billing Demand may be estimated or otherwise specified by the
17 Company.
18

19 b) **Exception:** During the months of November and March, the Company may (at its
20 sole discretion) authorize certain Customers to use gas without invoking a higher
21 Monthly Billing Demand. This flexibility will be available only to those Customers
22 who do not regularly require significant volumes of gas in the Winter season, but
23 whose non-winter requirements may extend into the Winter season for a short
24 duration either at the start or at the end of the Winter season. Such flexibility may be
25 provided at the sole discretion of the Company.
26

27 **E) OTHER SERVICES**

28 The Company may provide the following services:
29

30 a) Locate and mark at no direct charge, all Company owned underground plants on
31 request to facilitate excavation or other construction.
32

33 b) Respond, at no charge, on a 24-hour emergency basis to reports of, explosion, fire,
34 gas odour, leaks, fumes, over-pressure, overheating of natural gas space heating
35 equipment or damaged plant, or any other service which, in the Company's opinion,
36 is required for the maintenance and security of Company equipment.
37

38 c) Provide safety inspections, safety related adjustments and/or repairs to the gas
39 burning portion of all residential appliances and commercial appliances under
40 400,000 Btu/h (422 MJ/h). This includes, but is not limited to, repair of minor gas
41 leaks, and the adjustment and replacement of controls and control parts. The Small
42 General Class Customer will be responsible for the cost of parts. All other Customers
43 will be responsible for the cost of parts and labour.
44

45 d) Service to commercial or industrial equipment over 400,000 Btu/h (422 MJ/h) will not
46 normally be undertaken. The Company will respond, however, to commercial
47 emergencies where business might be adversely affected by prolonged interruption
48 of service. The Customer will be responsible for the cost of parts and labour.
49

1 e) Provide customers or customers' agents with basic billing. Routine queries for which
2 a response can be developed with the commitment of 30 minutes or less of staff time
3 will be addressed at no charge. For more complex inquiries, which require more
4 than 30 minutes staff time, the customer will be responsible for the cost of labour,
5 which will be billed at the approved Company Labour Rate (see Section XI,
6 Company Labour Rate).
7

8 All "Other Services" provided by the Company to the Customer shall be charged to the
9 Customer at rates in effect from time to time.

10
11 **F) EQUIPMENT**

12
13 **1) Ownership of Equipment**

14 The title to and ownership of all service lines, meters, regulators, attachments, and other
15 Company equipment placed on the Customer's Premises shall remain in the Company,
16 with right of removal, and no charge shall be made by the Customer for use of Premises
17 occupied thereby. This paragraph shall not apply to equipment sold directly to the
18 Customer by the Company.
19

20 **2) Measuring Station**

21 The Company will install, maintain, and operate, at or near each delivery point, a
22 measuring station properly equipped with a meter or meters and other necessary
23 equipment for properly measuring the gas delivered.
24

25 Positive displacement and turbine meters together with auxiliary equipment shall be of a
26 type approved for use by the Department of Consumer and Corporate Affairs, Standards
27 Branch, pursuant to the Electricity and Gas Inspection Act (Canada). When positive
28 displacement and turbine meters are used they shall be equipped with a counting device
29 for indicating the actual volume of gas passing through the meter. A device for
30 integrating the product of the volume of gas measured multiplied by the pressure and
31 temperature corrections and indicating the volume of gas delivered may be used. If an
32 integrating device is used, correction for the deviation from Boyle's Law may be built into
33 the device; otherwise such correction shall be applied to the volume of gas indicated at
34 the Company's sole discretion.
35

36 The Customer may install, maintain, and operate, at its own expense, such check
37 measuring, pressure, or volume control equipment as desired, provided that such
38 equipment shall be installed and/or operated so as not to interfere with the operation of
39 the Company's equipment.
40

41 **3) Rights of Parties**

42 The measuring equipment so installed by either party together with any building erected
43 by it for such equipment, shall be and remain its property. However, the Company and
44 the Customer shall have the right to have a representative present at the time of any
45 installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or
46 adjusting done in connection with the other's equipment. The records from such
47 equipment shall remain the property of their owner, but upon request each will submit to
48 the other its records and charts, together with calculations therefrom, for inspection and
49 verification, subject to return within ten days after receipt thereof.
50

1 **4) Care Required**

2 All installation of equipment applying to or affecting deliveries of gas shall be made in
3 such manner as to permit an accurate determination of the quantity of gas delivered and
4 ready verification of the accuracy of measurement. Care shall be exercised by both
5 parties in the installation, maintenance, and operation of equipment so as to prevent any
6 inaccuracy in the determination of the volume of gas delivered.
7

8 **5) Preservation of Metering Records**

9 The Company, and where the Customer has installed check equipment, the Customer,
10 shall each preserve for a period of at least six years all test data, charts, and other
11 similar records. Microfilms of the original documents shall be considered true records.
12

13 **6) Protection of Company -Owned Equipment on Customer's Premises**

14 a) Maintenance of service lines, meters, and regulators or any other Company-owned
15 equipment shall be the responsibility of the Company. The Customer shall be
16 responsible for all damage to equipment on the Premises except for deterioration
17 from normal usage.
18

19 b) If the Customer undertakes to renovate, reconstruct, or modify the Premises in such
20 a way as to render Company equipment non-compliant with any existing codes or
21 regulations, the Company will make any corrections necessary to its equipment so
22 that it conforms to the said codes and regulations and the Customer shall be
23 responsible for the cost of such corrections.
24

25 **7) Moving Meters**

26 The Company may charge the Customer the cost of moving a meter from one location to
27 another in the event such move is made at the request of the Customer.
28

29 **8) Access to Premises**

30 In cases of perceived emergency, or for reasons of safety, or if the premises are
31 uninhabited, the Company is authorized to enter upon the Premises in the absence of
32 the Customer and is authorized to use such force as may be necessary to obtain access
33 to its equipment for inspection, disconnection, and repair. All such instances shall be
34 reported to the local police authorities immediately by the Company.
35

36 **9) Termination of Service**

37 If the supply of gas is terminated for any reason, the Company may, but shall not be
38 obligated to, remove any or all Company owned equipment. Where the equipment is not
39 removed, the Company shall effectively seal it off in compliance with applicable codes,
40 regulations, and industry practices.
41

42 **10) Rental Equipment**

43 The title to all equipment supplied by the Company under a Rental Agreement and
44 placed on the Customer's Premises shall remain with the Company with right of removal,
45 and no charge shall be made by the Customer for use of Premises occupied thereby.
46

47 **G) DISCONTINUANCE OF SERVICE**

48 **1) Requirement of Notice**
49

1 If the Customer desires to discontinue the use of gas or to move from the Premises or in
2 any way to terminate the contract, the Customer shall notify the Company of such
3 intention and provide the Company with reasonable notice of discontinuance.
4

5 **2) Reasons for Discontinuance**

6 The Company reserves the right to temporarily or permanently discontinue the supply of
7 and/or delivery of gas and/or to remove its property from the Customer's Premises, for
8 any of the following reasons:
9

- 10 a) Failure, temporary or permanent, of the availability of gas;
11
12 b) Necessary repairs on any point on its system;
13
14 c) Non-payment by the Customer of any indebtedness to the Company when due;
15
16 d) Failure of the Customer to pay any guarantee deposit or increase thereof forthwith
17 on demand;
18
19 e) Bankruptcy or insolvency of the Customer;
20
21 f) Use by the Customer of defective pipe, appliances, gas fittings, or installations
22 contravening prescribed codes and regulations, or the demand by the Customer for
23 the supplying of gas in such a manner as may, in the Company's opinion, be likely to
24 lead to a dangerous situation;
25
26 g) Use of gas contrary to the terms of these Terms and Conditions or to any explicit
27 Contract made with the Customer;
28
29 h) Misrepresentation by the Customer in relation to the use of gas or the amount
30 consumed;
31
32 i) Moving of Customer from the Premises;
33
34 j) Inability of the Company to gain admittance to the Premises to replace the meter as
35 required, or read the meter for a period of six (6) consecutive months;
36
37 k) Termination in any manner of the contract of service;
38
39 l) Discontinuance of the use of gas on the Premises;
40
41 m) Fire, flood, explosion, or other emergency in order to safeguard persons or property
42 against the possibility of injury or damage;
43
44 n) Theft of Company property, services, and/or gas.
45

46 **3) Reconnect Fees**

47 On each occasion when gas service is discontinued at the Customer's request or as a
48 result of failure of the Customer to comply with these Terms and Conditions, and the
49 Customer subsequently requests that service be resumed to the Customer at the same
50 Premises, a reconnect fee may be charged in addition to the Customers Basic Monthly

1 Charge (if applicable) and Monthly Demand Charge (if applicable) for the period of
2 discontinued service. In the event that the meter and regulating equipment are removed
3 and replaced on the same Premises within five years of removal, the Company may
4 charge a fee for resetting the meter and regulator. Until such charges, together with any
5 other indebtedness of the Customer to the Company are paid, the Company may, at its
6 discretion, refuse to reconnect the service or to supply gas.

7
8 **H) RESPONSIBILITY OF PARTIES**

9
10 **1) Transfer of Risk, Title, and Possession**

11 With the exception of Customer owned gas, title to the gas and all risk in respect thereto
12 shall remain with the Company until the gas is delivered to the Customer at the Delivery
13 Point, at which point title and risk shall pass to the Customer. The Company shall have
14 the right to commingle gas delivered to it by or for a Customer with gas owned by the
15 Company or others.

16
17 **2) Damages to Equipment**

18 The Customer shall be responsible for all damage to Company property on the Premises
19 and agrees to notify the Company immediately of any damage occurring thereto, and
20 shall pay the cost of any repairs to such Company property except where such damage
21 or cost of repairs is attributable to normal usage.

22
23 **3) Force Majeure**

24 Notwithstanding any other term or condition contained within the Company's Schedule of
25 Sales and Transportation Services and Rates or contracts for service, neither party shall
26 be liable to the other for failure to carry out its obligations hereunder when such failure is
27 caused by force majeure as hereunder defined. The term "force majeure" means civil
28 disturbances, industrial disturbances (including strikes and lockouts), arrests and
29 restraints of rulers or people, interruptions by government or court orders, present or
30 future valid orders of any regulatory body having proper jurisdiction, acts of the public
31 enemy, wars, riots, blockades, insurrections, failure or inability to secure materials,
32 permits, or labour by reason of priority regulations or orders of government, serious
33 epidemics, landslides, lightning, earthquakes, fires, storms, flood washouts, explosions,
34 breakage or accident to machinery or lines of pipes or pipelines, temporary failure of gas
35 supply, an act or omission (including failure to deliver gas) of a supplier of gas to the
36 Company, or any other causes or circumstances to the extent that such cause or
37 circumstance was beyond the control of and occurred without negligence on the part of
38 the party prevented from carrying out its obligations by the act of force majeure.

39
40 Any causes or contingencies which entitle a party to claim force majeure shall not relieve
41 it from liability in the event of its concurring negligence, or in the event of its failure to use
42 due diligence to remedy the situation or remove the cause in an adequate manner and
43 with all reasonable dispatch, nor shall such causes and contingencies affecting the
44 performance of the obligations hereunder relieve either party from the obligations to
45 make payments of amounts then due or thereafter accruing due hereunder. It is
46 understood and agreed that the settlement of strikes and lockouts shall be entirely within
47 the discretion of the party affected.
48

1 Provided always however, that when the Customers consumption or ability to consume
2 is not affected, the Customer shall not be entitled to rely upon the aforesaid Force
3 Majeure provisions.
4

5 **4) Waste of Gas**

6 The Customer shall use due care to prevent any waste of gas and will immediately notify
7 the Company in case of failure or deficiency of supply or leakage of gas.
8

9 **I) CONSUMER EQUIPMENT**

10
11 **1) Description of Installation**

12 In those cases where the Company deems it necessary, the Customer shall present, in
13 writing, complete specifications of equipment, loads, location plans, piping, regulators,
14 and other data required.
15

16 **2) Customer's Equipment**

17 Gas piping, fixtures, and appliances on the Customer's Premises must be installed at the
18 expense of the Customer or owner of the property.
19

20 The Company may delay the construction of an extension and/or service until the
21 Customer has completed the piping and installation of equipment necessary to receive
22 and use service.
23

1 **V. SPECIAL TERMS AND CONDITIONS: TRANSPORTATION SERVICE (T-SERVICE)**

2
3 A) A contract setting out Customer specific information shall be established between the
4 Company and the Customer for Transportation Service under the Large General Class,
5 High Volume Firm Class, Mainline Class, or Interruptible Class, having a minimum term
6 of one year. The agreement shall remain in effect for successive periods of one year,
7 unless written notice of termination is given by either party to the other at least 90 days
8 prior to the expiration of the agreement or any renewal thereof.

9
10 B) The T-Service Customer shall deliver to the Company at the designated Receipt Point(s)
11 and the Company shall receive from the T-Service Customer and transport a volume of
12 gas, as determined in accordance with subsection C) hereof, from said Receipt Point(s)
13 to the designated Delivery Point(s).

14
15 C) The volume of gas delivered by the T-Service Customer and received and transported
16 by the Company shall, on each day, equal the quantity of gas consumed by the
17 Customer at its facility on such day as determined by the Company's measuring stations
18 located at or near the Delivery Point, less the volume of Backstop Gas (if any) sold to the
19 Customer by the Company on such day pursuant to subsection F) hereof.

20
21 D) The Company shall not be obligated to transport, in any one day, any gas in excess of
22 the Daily Contract Demand designated for delivery to each designated Delivery Point for
23 each type of service.

24
25 E) The T-Service Customer shall pay for all gas delivered by the T-Service Customer and
26 received and transported by the Company at the T-Service Rates approved from time to
27 time by the Board.

28
29 F) In the event that a T-Service Customer fails or anticipates failure to deliver the
30 necessary volume of gas to the designated Receipt Point:

31
32 1) The T-Service Customer shall promptly notify the Company if the Customer has
33 reason to believe that deliveries of gas by or for the Customer to the Company at the
34 Receipt Point(s) will be impaired in whole or in part. At such time, the Customer shall
35 indicate whether it will require gas from the Company and the volume required during
36 such period of impairment. If the Company is unable to provide Backstopping Gas
37 as requested by the Customer, the Customer shall be obligated to restrict its
38 consumption to the volume of gas it can deliver into the system.

39
40 2) On any day when, as a result of impairment, the T-Service Customer requires gas
41 from the Company, the Company may, subject to availability of supply, sell to the
42 Customer such quantity of gas as is agreed between the parties (herein referred to
43 as "Backstop Gas"), and the Customer shall pay for any Backstop Gas the greater of;

44
45 a) its appropriate share pro-rata with other T-Service Customers purchasing
46 Backstop Gas, on such day, of the total cost, including all costs associated with
47 purchasing and having that supply delivered to the Receipt Point. These
48 charges are in addition to the normal T-Service Volumetric Charges; or

49
50 b) the equivalent Sales Service Volumetric Rate.

- 1
2 On such day, the Backstop Gas shall be deemed to be the first volumes delivered to
3 the Customer.
4
- 5 3) Volumes delivered to the Customer as Backstopping Gas shall be included in the
6 determination of the Monthly Billing Demand.
7
- 8 G) The provisions of this paragraph shall only be applicable if service hereunder is pursuant
9 to one of the Company's Interruptible Transportation services.
10
- 11 1) The Company may, at its sole option, on notice to the T-Service Customer, curtail or
12 discontinue service hereunder down to the level of Firm Transportation Service (if
13 any) to which the T-Service Customer is entitled. Such notice shall be made by
14 telephone, electronic, or other communication device, or in person, and the
15 Customer shall curtail its consumption of gas to the extent requested by the
16 Company within two (2) hours of receipt of notice.
17
- 18 2) In recognition of the Customer's service as Interruptible Transportation Service
19 furnished by the Company hereunder, the Company shall not be liable for damages
20 to person or property resulting from curtailment of service, or the Customer's failure
21 to provide adequate stand-by equipment and fuel, or to use such equipment properly
22 and sufficiently.
23
- 24 3) In the event that the T-Service Customer fails to comply with any such notice of
25 curtailment, then the Company may at its option:
26
- 27 a) Physically discontinue Transportation Service hereunder during any period of
28 curtailment; and/or
29
- 30 b) Charge and collect from the Customer for all gas received and transported
31 hereunder during any such period at the Penalty Delivery Charge, or such lesser
32 amount per m³ as the Company, in its sole discretion, may decide upon.
33
- 34 c) Charge and collect from the Customer the Firm T-Service Delivery rates for a 12
35 month period subsequent to the failure to interrupt. This provision shall not
36 relieve the Customer from continuing to operate as, and meet all of the
37 obligations of, an Interruptible Customer during this 12 month period. Continued
38 failure to abide by the terms of Interruptible Service shall entitle the Company to
39 return the Customer to Firm Transportation Service on a permanent basis.
40
- 41 4) The Company shall have the further right to curtail the transportation of gas
42 hereunder without notice and without any liability whatsoever for any resultant
43 damage to the Customer for any one or more of the following reasons:
44
- 45 a) Repairs to its distribution system; or
46
- 47 b) Transportation of gas being prevented or interrupted for any cause reasonably
48 beyond the control of the Company.
49
- 50 c) For breach by the Customer of any of the terms and conditions hereof;

1
2 5) With respect to each Delivery Point(s), the T-Service Customer shall be subject to a
3 monthly bill equal to the Basic Monthly Charge, the applicable Monthly Demand
4 Charge, and Volumetric Charges for volumes delivered.
5

6 6) Volumes taken by the Customer in contravention of curtailment notice shall be
7 included in the determination of the Monthly Billing Demand.
8

9 H) Where the T-Service Customer is entitled to both Firm and Interruptible Transportation
10 Service to a particular Delivery Point, the volume of gas transported by the Company to
11 such Delivery Point on any day shall be deemed to be transported firstly under Firm
12 Service up to the level of Firm Daily Contract Demand, and secondly under Interruptible
13 Service; provided, however, that if on any day, the Customer's Interruptible Service is
14 curtailed, the gas under Firm Service shall be deemed to have been transported, up to
15 the time of curtailment, at an even hourly flow at a rate equal to the Firm Daily Contract
16 Demand, divided by 24.
17

18 I) The T-Service Customer shall notify the Company by fax, no later than 2:00 p.m.
19 Winnipeg time on the day prior to delivery (except during periods when the Customer
20 has advised the Company that no transportation service is required) of:
21

22 1) The Customer's nomination for the following day with TCPL; and
23

24 2) The Customer's forecasted gas consumption and Nominated Volume for the
25 following day.
26

27 Such Nominated Volume and forecasted consumption shall be deemed to remain in
28 effect from day to day unless changed by the Customer and notice of such change is
29 given to the Company in the manner aforesaid.
30

31 J) Prior to 10:00 a.m. Winnipeg time each day, the T-Service Customer will advise the
32 Company by telephone or fax of the meter reading at each Delivery Point as at 9:00 a.m.
33 Winnipeg time on that day.
34

35 K) In the event that a Sales Service Customer elects to become a T-Service Customer, he
36 will indemnify and save the Company harmless against any costs incurred by the
37 Company upstream of the Receipt Point for which the Company is unable to obtain
38 relief. The Company reserves the right to determine the level of capacity that may be
39 released to the Customer or his agent.
40

41 L) The T-Service Customer hereby releases the Company from the Company's obligation
42 to supply gas (except in accordance herewith) to the Customer for so long as the
43 Transportation Service Agreement remains in force. If the Customer wishes to
44 recommence purchasing gas from the Company, the Customer acknowledges and
45 agrees that it will be treated in the same manner as a new Customer applying for Sales
46 Service.
47

48 M) The provisions of these "Special Terms and Conditions" may be superseded by any
49 requirements contained in a separate "Load Balancing Agreement" between the

- 1 Customer and the Company and/or any other terms of the Transportation Service
- 2 Contract as required in paragraph A herein.
- 3

1 **VI. SPECIAL TERMS AND CONDITIONS: INTERRUPTIBLE SALES SERVICE AND INTERRUPTIBLE**
2 **DELIVERY SERVICE**

3 The provisions of this Section VI pertains to Interruptible Sales Customers (taking
4 corresponding Interruptible Delivery Service) and Mainline Customers electing
5 Interruptible Sales (in conjunction with Firm Delivery Service) provided by the Company.
6

7 A) A contract setting out Customer specific information shall be established between the
8 Company and the Customer having a minimum term of one year. The agreement shall
9 remain in effect for successive periods of one year, unless written notice of termination is
10 given by either party to the other at least 90 days prior to the expiration of the agreement
11 or any renewal thereof.
12

13 B) Subject to subsection VI D) hereof, the Company shall sell and deliver to the Customer
14 and the Customer shall purchase from the Company at the Delivery Point, natural gas
15 for consumption by the Customer at its premises; provided that the Company shall not
16 be obligated to sell or deliver to the Customer, on any one day, any gas in excess of the
17 Interruptible Daily Contract Demand as specified in a separate agreement, or in any one
18 hour, any gas in excess of the Maximum Hourly Flow.
19

20 C) In the event that the Company determines, in its sole discretion, that it cannot provide
21 Interruptible Sales Service from its available supplies, the following provisions will apply:
22

23 1) If, prior to the commencement of any day or at any time during any day, the
24 Company reasonably believes that it will, on that day, be curtailing Interruptible Sales
25 and/or offering Alternate Supply gas at a price higher than the Base Rate for
26 Supplemental Gas to Interruptible Customers, it shall notify the Customer to this
27 effect and of the sale price of such Alternate Supply gas. The Customer may elect to
28 purchase Alternate Supply gas on that day or decline service for that day, or portion
29 thereof, and the Customer shall promptly notify the Company of its decision. If the
30 Customer declines service for that day or portion thereof it shall cease consuming
31 gas on such day or portion thereof;
32

33 2) If the Company is able to offer Alternate Supply gas to the Interruptible Customer at
34 a price that is equal to or less than the Base Rate for Supplemental Gas to
35 Interruptible Customers, the Company may provide Alternate Supply service without
36 notice to the Interruptible Customer, and the Customer shall pay the sale price of that
37 gas supply plus the Alternate Supply Service Delivery Rate.
38

39 3) If, on any day, the Customer elects to purchase the Alternate Supply gas, the
40 Customer shall pay the sale price of that gas supply plus the Alternate Supply
41 Service Delivery Rate.
42

43 4) If, on any day, the Customer elects to purchase Alternate Supply the volumes
44 delivered on that day shall not be included in the determination of the Monthly Billing
45 Demand.
46

47 5) If, on any day, the Company is providing Alternate Supply Service and the Customer,
48 having declined such service, continues to consume gas on that day, the Customer
49 shall be subject to section D) 3) below;
50

- 1 D) The following provisions shall apply to the interruption of service under these Services:
2
3 1) The Company may, at its sole option, on notice to the Customer, curtail or
4 discontinue service hereunder down to the level of firm service to which the
5 Customer is entitled (if any). Such notice shall be made by telephone, electronic or
6 other communication device, or in person, and the Customer shall curtail its
7 consumption of gas to the extent requested by the Company within two (2) hours of
8 receipt of the notice;
9
10 2) In recognition of the Customer's service as Interruptible Service furnished by the
11 Company hereunder, the Company shall not be liable for damages to person or
12 property resulting from curtailment of service, or the Customer's failure to provide
13 adequate stand-by equipment and fuel, or to use such equipment properly and
14 sufficiently;
15
16 3) In the event that the Customer shall fail to comply with any such notice of
17 curtailment, then the Company may, at its option:
18
19 a) Physically discontinue service hereunder during such period of curtailment; or
20
21 b) Charge and collect from the Customer for all gas delivered to the Customer
22 during any such period at the Penalty Gas Charge and/or Penalty Delivery
23 Charge, or such lesser amount per m³ as the Company, in its sole discretion,
24 may decide;
25
26 c) Charge and collect from the Interruptible Customer the High Volume Firm
27 Service rates or other Firm Service rates as decided by the Company, for a 12
28 month period subsequent to the failure to interrupt. This provision shall not
29 relieve the Customer from continuing to operate as, and meet all of the
30 obligations of, an Interruptible Customer during this 12 month period;
31
32 d) Continued failure to abide by the terms of Interruptible Service shall entitle the
33 Company to reclassify the Customer to Firm Sales Service on a permanent
34 basis.
35
36 4) The Company shall have the further right, without notice to the Customer, to curtail
37 service hereunder for any of the following reasons:
38
39 a) For repairs to its distribution system;
40
41 b) By reason of service hereunder being prevented or interrupted for any cause
42 reasonably beyond the control of the Company; or
43
44 c) For breach by the Customer of any of the terms and conditions hereof;
45
46 5) With respect to each delivery point, the Customer shall pay a monthly bill equal to
47 the Basic Monthly Charge, the applicable Monthly Demand Charge, and Volumetric
48 Charges for any and all volumes delivered;
49

- 1 6) The Company shall not be liable for damages, costs, loss or expense, whether
2 direct, consequential, or otherwise, to person or property, resulting from curtailment
3 of service hereunder or the Customer's failure to provide adequate stand-by
4 equipment fuel, or to use such equipment properly and sufficiently.
5
- 6 7) Volumes taken by the Customer in contravention of curtailment shall be included in
7 the determination of the Monthly Billing Demand.
8
- 9 E) The provisions of these "Special Terms and Conditions" may be superseded by any
10 requirements contained in the Interruptible Service Contract as required in paragraph A)
11 herein.
12
- 13 F) Where the Customer is entitled to both Firm and Interruptible Sales and/or Delivery
14 Service hereunder to a particular Delivery Point, the volume of gas transported by the
15 Company to such Delivery Point on any day shall be deemed to be transported firstly
16 under Firm Service up to the level of Firm Daily Contract Demand as specified in a
17 separate agreement, and secondly under Interruptible Service; provided, however, that if
18 on any day, the Customer's Interruptible Service is curtailed, the gas under Firm Service
19 shall be deemed to have been transported, up to the time of curtailment, at an even
20 hourly flow at a rate equal to the Firm Daily Contract Demand, divided by 24.
21

1 **VII. SPECIAL TERMS AND CONDITIONS: WESTERN TRANSPORTATION SERVICE**
2

3 A) Western Transportation Service provides for the transportation, storage, transmission,
4 and distribution as appropriate, of Customer-owned Primary Gas from the Alberta border
5 to the Customer's premises. The Company provides mandatory Supplemental Gas in
6 conjunction with this service.
7

8 B) An executed Western Transportation Service Agreement is required in order to take this
9 service. Customers in the Small General, Large General, High Volume Firm,
10 Interruption, Mainline or Interruption Class are eligible for this service.
11

12 1) The Customer must be represented by a Broker authorized by the Board to sell
13 natural gas.
14

15 2) The Customer must sign an Agency Agreement to be represented by that Broker.
16 The Agency Agreement must, at a minimum, appoint the Broker as the Customer's
17 sole and exclusive Agent to contract for the Customer's Primary Gas Supply,
18 authorize the Broker to execute an Agreement for Western Transportation Service on
19 behalf of the Customer, and where ABC Service is desired or mandated, authorize
20 the Broker to execute an Agency Billing & Collection Agreement with the Company
21 on behalf of the Customer.
22

23 3) The Broker must sign and execute an Agreement for Western Transportation Service
24 on behalf of the Customer and on its own behalf.
25

26 4) It is optional for the Broker to take the Company's ABC Service in conjunction with
27 this service for all Customers in the Small General and Large General classes.
28

29 5) Customers that wish to act as their own Broker must have estimated annual
30 consumption of equal to or greater than 680,000 m³ and must be authorized by the
31 Board.
32

33 C) Customers in the Small General and Large General classes must be grouped to a
34 minimum Customer load totaling 310,000 m³ per year for each Western Transportation
35 Service Agreement. In addition, Brokers taking the Agency Billing and Collection Service
36 must create Groups that adhere to the additional minimum Customer load requirements
37 and restrictions specified for that Service.
38

39 1) A Broker may not aggregate Customers with other Brokers to meet the minimum
40 Customer load requirements.
41

42 2) A Broker must meet the minimum Customer load requirements in order to
43 commence service to Customers in the Small General or Large General classes.
44

45 3) A Broker that fails to maintain the minimum Customer load requirements will be
46 required to release its Small General and Large General Customers from their
47 participation in Western Transportation Service with that Broker, effective with the
48 first day of the next Gas Year.
49

- 1 a) The Company will notify any Broker who fails to maintain the minimum Customer
2 load requirements:
3
4 i) Where a Broker falls below the requirements during the first three quarters of
5 any Gas Year, the Company will notify the Broker at the beginning of the next
6 gas quarter, and
7
8 ii) Where a Broker falls below the requirements during the last quarter of any
9 Gas Year, the Company will notify the Broker as soon as the Company
10 determines the shortfall.
11
12 b) A Broker who falls below the minimum Customer load requirement between
13 November 1 and August 31 may submit enrollment applications prior to
14 September 1 for additional Customers in order to re-establish the minimum
15 Customer load requirement.
16
17 c) If a Broker falls below the minimum Customer load requirement between
18 September 1 and October 31 of any Gas Year, the Company will automatically
19 release all Customers enrolled with that Broker effective with the start of the next
20 Gas Year.
21
22 d) A Broker who fails to maintain the minimum Customer load requirements and
23 either fails or is not eligible to enroll additional Customers to meet the
24 requirements, must notify its existing Customers that the Broker will no longer be
25 eligible to serve them, and will remain ineligible to serve them for a period of one
26 year. Notification to Customers must be provided as soon as possible after the
27 Company's notification to the Broker or September 1 of the then current Gas
28 Year, whichever is later.
29
30 e) A Customer whose Broker is no longer eligible to serve them may enroll with a
31 different Broker during the prescribed enrollment periods set out in Section D).
32 The Company will return released Customers to the Company's Sales Service for
33 Primary Gas on a best-efforts basis unless the Customer becomes enrolled with
34 another eligible Broker effective with the beginning of the next Gas Year.
35
36 D) Participation in Western Transportation Service will commence at the start of a Gas Year
37 quarter. The Gas Year quarters start on November 1, February 1, May 1 and August 1.
38
39 1) Brokers will submit enrollment applications on behalf of Customers. The Company
40 will notify the Broker if a Customer enrollment application is unacceptable to the
41 Company.
42
43 2) Enrollment applications must be submitted using a format acceptable to the
44 Company, acting reasonably.
45
46 3) Brokers may submit enrollment applications no earlier than 90 days prior to the
47 requested date for commencement of service.
48
49 4) Enrollment applications must be received by the Company no less than 30 days prior
50 to the requested date for commencement of service.

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- 5) A Customer's participation in Western Transportation Service with one Broker must be terminated by that Broker before the Customer can participate in that Service with a different Broker.
 - 6) The Company will send a notification letter to each Customer whose enrollment is acceptable to the Company.
 - E) During the period from May 1, 2000 to November 1, 2001 (the "transition period"), a Customer who is a party to a current Buy/Sell Services contract with a Broker may transfer to Western Transportation Service with the same Broker effective the first day of each month during the aforesaid transition period subject to the following conditions:
 - 1) The Broker and Customer shall comply with all conditions of enrollment except that commencement of participation in Western Transportation Service will not be limited to a Gas Year Quarter.
 - 2) The Broker shall not alter, amend, vary or terminate any supply contract existing for Buy/Sell Service during the transition period.
 - 3) The Broker shall submit conversions subject to these provisions separately from new enrollments.
 - 4) As between the Broker and the Company:
 - a) Buy/Sell imbalances shall not be rolled over to Western Transportation Service, and each service shall be tracked and balanced separate and apart from the other in accordance with the provisions of these Terms and Conditions and of the Buy/Sell contract;
 - b) Deliveries shall be nominated jointly to Buy/Sell and Western Transportation Services, the MDQ requirements and total nominations shall remain unchanged;
 - c) Deliveries shall be allocated first to Western Transportation Service, based upon the percentage of Western Transportation Service consumption to the total consumption of Customers under both Western Transportation Service and Buy/Sell service;
 - d) In those months when gas consumption of the Customers exceeds amounts of Primary Gas delivered by the Broker, deliveries shall be allocated to serve monthly consumption proportionately among Buy/Sell and Western Transportation Service customers;
 - e) In those months when Primary Gas delivered by the Broker exceeds gas consumption of the Customers, deliveries shall firstly be allocated to consumption volumes under each of the Buy/Sell and Western Transportation Service, and secondly to the existing imbalances under each of the Buy/Sell and Western Transportation Services proportionately.

- 1 5) During the transition period the minimum Customer load requirement specified in
2 Article VII C) hereof shall be waived. The Broker must adhere to the minimum
3 Customer load requirement on November 1, 2001 and thereafter, failing which the
4 provisions of Article VII C) shall apply.
5
- 6 F) Brokers who choose to participate in Western Transportation Service must do so
7 through to the end of each Gas Year.
8
- 9 G) A Customer's enrollment in Western Transportation Service will be renewed at the
10 beginning of each Gas Year for the entire Gas Year, subject to the following:
11
- 12 1) A Customer may return to the Company's Sales Service for Primary Gas effective
13 with the start of any Gas Year quarter, subject to the Company's ability to provide
14 that Service on a best efforts basis and the Customer's requirement to pay any and
15 all incremental costs related to the Company's provision of that Primary Gas through
16 the end of the Gas Year.
17
- 18 2) The Company will provide Bridging Service on a best-efforts basis to any Customer
19 whose Western Transportation Service Agreement is terminated, through the end of
20 the current Gas Year quarter, after which time the Customer may return to the
21 Company's Sales Service for Primary Gas in accordance with Article VII G) 1), or to
22 Western Transportation Service.
23
- 24 3) A Customer may switch Brokers effective with the start of any Gas Year quarter,
25 subject to the terms of their Agency Agreement.
26
- 27 4) A Customer may, through the enrollment process, switch between Western
28 Transportation Service Agreements with the same Broker effective with the start of
29 any Gas Year quarter.
30
- 31 H) The Broker is responsible for securing firm supply of Primary Gas and transportation to
32 the Alberta Border.
33
- 34 1) The firm supply and necessary transportation to the Alberta Border must be
35 adequate to meet the Maximum Daily Quantity established by the Company for
36 Primary Gas, plus the amount needed to supply related Fuel Gas on the
37 TransCanada PipeLine from the Alberta Border to the Company's distribution
38 system. The ability to supply and transport the Maximum Daily Quantity must be
39 maintained for every day that service is provided.
40
- 41 2) The Company may direct, dispatch or dispose of the firm supply in any manner it
42 sees fit, consistent with prudent utility practice, and shall be entitled to pass good title
43 in such gas.
44
- 45 3) The Company is not responsible for the cost of the firm supply or related
46 transportation to the Alberta Border, or for any financial or other performance
47 penalties that may be associated with such firm supply or related transportation.
48

- 1) The Company shall on each day nominate a quantity of Primary Gas (plus Fuel Gas) to be delivered on the next day by the Broker and accepted by the Company at the Alberta Border in accordance with the following terms:
- 1) Prior to any deliveries being made in accordance with the terms of this Service, the Broker shall provide the Company with the name, address, telephone number and facsimile number of the Supplier[s], and the point[s] of receipt for deliveries. Such information shall be immediately updated as changes occur.
 - 2) Where there are two or more Suppliers, the Broker shall indicate to the Company what percentage of total daily nominations is to be made to each supplier. Such percentage must be sufficient to result in a minimum annual nomination of 310,000 m³ from each Supplier. Such information shall be immediately updated as changes occur.
 - 3) The Company shall nominate by 11:00 a.m. CDT each day. The volume that is nominated will be determined by the Company, taking into account the gas requirements of the individual Customer, its Maximum Daily Quantity, system operating conditions, the quantity of Fuel Gas required to transport Primary Gas from the Alberta Border to the Receipt Point, any remaining Annual Volume Difference carried forward from the prior Gas Year, the availability of transportation on TransCanada and nominations required under its system supply contracts and other gas purchase agreements under which the Company obtains gas. The required quantity of Fuel Gas will be determined in accordance with the applicable TransCanada fuel ratio in effect from time to time, as approved by the National Energy Board of Canada. Such nomination may be changed from time to time during the Day, and the Broker shall promptly adjust its deliveries to accommodate such changes.
 - 4) The Company will nominate directly to the Supplier. The Broker agrees to inform the Supplier in writing that all nominations made in accordance with this Service by the Company to the Supplier for the delivery of gas to the Company, shall be received by the Supplier as if made by the Broker, and that all gas delivered by the Supplier to the Company pursuant to such nominations shall be to the account of the Customer. If for any reason the Supplier is unwilling or unable to accept such nominations, the Company shall be entitled to make in its discretion such nominations directly to the Broker or Customer.
 - 5) The Company will nominate the Customer's supplies in approximately the same proportion to the Customer's total gas requirements as the Company's nominations of Primary Gas in relation to total requirements for the Company's Sales (including Buy/Sell and Western Transportation Service) Customers.
 - 6) Unless otherwise agreed to by the Customer, the maximum quantity of gas that the Company may nominate on any day is the Maximum Daily Quantity, plus Fuel Gas.
 - 7) The Customer shall immediately notify the Company if the anticipated quantity of gas to be consumed at its facility significantly changes for any reason.
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- a) The Broker or its Supplier shall notify the Company as soon as possible, after receipt of the nomination, or change in nomination, if such nomination cannot be satisfied. In addition, the Broker shall notify the Company immediately upon becoming aware of any event that will alter or affect the deliveries of gas under this Service.
- b) The Customer or its Supplier shall notify the Company as soon as possible, after receipt of the nomination, or change in nomination, if such nomination cannot be satisfied. In addition, the Customer shall notify the Company immediately upon becoming aware of any event that will alter or affect the deliveries of gas under this Service.
- c) Notice provided in accordance with paragraph a) or b) relieves neither the Broker nor the Customer from their obligations hereunder.
- 9) All such confirmations or notifications shall be made by telephone, electronic or other communication advice, and if given orally, shall be effective only if they are confirmed the same day in writing by way of facsimile or other written means of communications.
- 10) Where a Supplier notifies the Company that nominations relating to more than one such Broker will not be wholly satisfied, the Company shall allocate the shortfall among such Brokers in accordance with the instructions of that Supplier. Where the Supplier does not provide such instructions to the Company, the Company shall allocate the shortfall among the Brokers in proportion to each Broker's respective share of the total nomination made by the Company to that Supplier.
- 11) If, with respect to any day, a nomination is not accepted or if for any other reason, the Broker and Customer fails to deliver any of the nominated gas, then the special provisions for Backstop Gas under this Service shall apply.
- J) A monthly Gas Loan Mechanism will provide for cash payments between the Company and each Broker for the difference between Primary Gas Delivered by a Broker and Primary Gas Billed to that Broker's Customers. The Gas Loan will be reconciled for each Gas Year, within two months following the end of that Gas Year,
- 1) The Gas Loan will be tracked separately for the Group of Customers under each Western Transportation Service Agreement. Customers may be added to or removed from the Group, subject to minimum Customer load restrictions under this Service, and the minimum Customer load restrictions of ABC Service if applicable.
 - 2) For each Group of Customers, the Company will calculate the Volume Difference between Primary Gas Delivered and Primary Gas Billed for each month.
 - a) Primary Gas Delivered in the month will be measured as the volume of gas received from Brokers at the Alberta Border during the month, but not including Fuel Gas provided by the Brokers.

- 1 b) Primary Gas Billed in the month will be measured as the volume of Primary Gas
2 reported on bills issued by the Company to the Broker's Customers during that
3 calendar month. Primary Gas Billed in the month may include consumption in a
4 prior month, in accordance with the Company's billing practices.
5
6 c) Where Primary Gas is measured in Gigajoules, the volume of Primary Gas in
7 Cubic Meters will be determined using the Gross Heating Value as determined
8 by TransCanada.
9
10 3) The Value of the Gas Loan for each month will be calculated as the Volume
11 Difference in each month multiplied by the Loan Price applicable to that Group of
12 Customers to determine the value of the loan for each month. Where the Broker has
13 entered into an ABC Service Agreement for the Group of Customers and where the
14 Broker has duly executed a warranty satisfactory to the Company that the ABC
15 Service is the sole means of collecting monies from the Group of Customers, the
16 Loan Price will be the Broker Price charged to the Customer. In all other events, the
17 Loan Price will be the Company's Base Rate for Primary Gas approved by the
18 Manitoba Public Utilities Board that is in effect at that time.
19
20 4) The Value of the Gas Loan shall be payable each month.
21
22 a) If the volume of Primary Gas Delivered in a month exceeds the volume of
23 Primary Gas Billed in that month, the Company shall pay the Value of the Gas
24 Loan to the Broker.
25
26 b) If the volume of Primary Gas Delivered in a month is less than the volume of
27 Primary Gas Billed in that month, the Broker shall pay the Value of the Gas Loan
28 to the Company.
29
30 c) The Company will issue a statement for the amount payable by the Company or
31 the Broker, as the case may be, on the 15th day of the month following the
32 month in which gas is delivered. If such day is not a Business day, such
33 statement shall be issued on the first Business Day following such day.
34
35 d) Remittances will be due and payable on the 20th day of the month following the
36 month in which gas is delivered. If such day is not a Business day, such amount
37 shall be due and payable on the first Business day following such day.
38
39 5) Following the end of each Gas Year, the Company will perform a reconciliation on
40 the Gas Loan.
41
42 a) The Annual Volume Difference will be calculated by the Company as the sum of
43 the Volume Differences during the Gas Year plus any Annual Volume Difference
44 carried over from the prior Gas Year. This Annual Volume Difference may be
45 further adjusted for differences between Primary Gas consumed in the Gas Year
46 and Primary Gas Billed in the Gas Year.
47
48 b) The Annual Volume Difference may at the option of the Broker be carried over
49 into the following Gas Year, subject to the following conditions. The Annual
50 Volume Difference may be either positive or negative.

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- i) The Company will include the Annual Volume Difference from one Gas Year in the determination of the next Gas Year's annual supply requirements.
 - ii) The Company will nominate, and the Broker will deliver, appropriate volumes to satisfy current Gas Year consumption requirements as well as any Annual Volume Difference (positive or negative) carried over from the prior Gas Year.
 - iii) If, for any reason, the Broker will not be providing Primary Gas under a given Agreement in the following Gas Year, the Annual Volume Difference will not be carried over into the following Gas Year. The Company will charge or credit the Broker for the Value of the Annual Volume Difference as part of the annual financial reconciliation.
- c) For purposes of the annual financial reconciliation, the remaining Value of the Gas Loan will be calculated as the sum of the monthly payments related to the Value of the Gas Loan for the Gas Year minus the value of any Annual Volume Differences carried over into the next Gas Year.
- i) The value of the Annual Volume Differences carried over into the following year will be calculated by multiplying the Annual Volume Difference for one Gas Year by the Loan Price applicable to that Group of Customers in the last month of the Gas Year being reconciled.
 - ii) For Brokers with ABC contractual arrangements, the Loan Price will be the Broker Price charged to the Customer. For Brokers with non-ABC contractual arrangements, the Loan Price will be the Company's Base Rate for Primary Gas approved by the Manitoba Public Utilities Board that was in effect for the last month of the Gas Year being reconciled.
 - iii) If, for any reason, the Annual Volume Difference will not be carried over into the following Gas Year, the annual financial reconciliation will consist of a final payment that completely offsets the sum of the monthly payments related to the Value of the Gas Loan for the Gas Year, plus a final payment equal to the Value of the Annual Volume Difference. The value of the Annual Volume Differences will be calculated by multiplying the Annual Volume Difference for the Gas Year by the monthly Empress price as reported by CGPR for the last month of the Gas Year being reconciled.
- d) If the remaining Value of the Gas Loan indicates an overpayment by the Broker, the Company shall pay that amount to the Broker with the next scheduled monthly transaction following completion of the reconciliation calculations.
- e) If the remaining Value of the Gas Loan indicates an underpayment by the Broker, the Broker shall pay that amount to the Company with the next scheduled monthly transaction following completion of the reconciliation calculations.
- f) Where a Customer switches to a new Broker, or to a different Western Transportation Service Agreement with the same Broker, outstanding Gas Loan

1 balances may be transferred to that new Broker or different Agreement with the
2 prior approval of the Company and the affected Brokers.

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4 6) Brokers not participating in ABC Service may, with the Company's and the
5 Customer's consent, designate that all statements or remittances under the Gas
6 Loan Mechanism should be directed to the Customer, rather than the Broker. The
7 Company may require such Customers to meet the creditworthiness standards
8 otherwise imposed on the Broker as part of this Service.
9
10 7) With respect to the Gas Loan Mechanism, no interest will be charged or credited by
11 the Company for the Value of the Gas Loan, except for interest that will be calculated
12 on late payments.

13
14 K) BILLING AND PAYMENT

- 15
16 1) Sales Customers will be billed monthly for Supplemental Gas, Transportation to
17 Centra, and Distribution to Customer at rates, as approved by the Board from time
18 to time. Bills will be issued on the regular billing cycle established by the Company.
19 Subject to the mandatory provision of Agency Billing and Collection Service as noted
20 later herein, unless the Broker signs an Agency Billing and Collection Agreement
21 with the Company, the Broker shall be responsible for billing the Customer for
22 Primary Gas. Failure by the Customer to pay that Broker's bill will not result in
23 termination of service by the Company.
24
25 2) The Customer is responsible for all charges related to this Service, including charges
26 incurred by their Brokers when acting as the agent for the Customer. Such charges
27 include:
28
29 a) Gas supplies nominated by the Company at the Alberta Border on behalf of the
30 Customer.
31
32 b) Payments for gas loaned to the Customer by the Company under the Gas Loan
33 Mechanism, including interest where applicable.
34
35 c) Payments for Backstop Gas provided to the Broker by the Company, including
36 interest where applicable.
37
38 d) Reimbursement of any penalties or charges imposed on the Company as a result
39 of the Broker's malfeasance or nonperformance.
40
41 e) Service fees charged to the Broker by the Company.
42
43 3) The liability of a Broker's Customers in relation to an obligation of their Broker shall
44 be prorated by the Company among the Customers of that Broker, based upon the
45 Company's determination of any relevant factors and circumstances. Each
46 Customer's liability will be limited to its pro rata share, so determined.
47
48 4) Should the Broker fail to pay all of the amount of the Gas Loan Mechanism as herein
49 provided when such an amount is due, interest shall accrue on the unpaid portion of
50 the statement at a rate per annum equal to the Company's cost of short term debt as

- 1 approved by the Board from time to time on the date such payment is due. If such
2 failure to pay continues for ten days after such amount is due, the Company may use
3 any financial security provided by the Broker to meet that obligation.
4
- 5 5) All remittances for the Gas Loan Mechanism will be accomplished via Electronic
6 Funds Transfer. Remittances related to the Gas Loan Mechanism may be added to
7 or netted against remittances related to ABC Service in order to accomplish a single
8 transaction on the scheduled day in each month.
9
- 10 6) In the event an error is discovered in the amount billed for the Gas Loan in any
11 statement deemed to be rendered, such error shall be adjusted within thirty (30) days
12 of the determination thereof, provided that such claim shall have been made within
13 sixty (60) days from the date of discovery of the error, but, in any event, within twelve
14 (12) months from the date of payment.
15
- 16 a) Errors discovered within the same Gas Year will be included in the monthly
17 Volume Difference and Value of the Gas Loan during that Gas Year.
18
- 19 b) Errors discovered after the close of the Gas Year will be treated as an Annual
20 Volume Difference, subject to the same conditions as specified for the Gas Loan
21 Mechanism.
22
- 23 c) Errors discovered after the allowed claim period will be treated as if the volume
24 and value of Primary Gas were provided entirely by the Company to the
25 Customer.
26
- 27 L) Broker participation in this program is subject to the following:
28
- 29 1) Only Brokers licensed and registered to do business in the Province of Manitoba,
30 and authorized by the Manitoba Public Utilities Board to operate as a Broker in
31 Manitoba are eligible to participate.
32
- 33 2) The Agency Agreement creating a valid agency relationship between the Broker and
34 the Customer must be provided by the Broker to the Company upon request.
35
- 36 3) The Agency Agreement must authorize the Broker to fulfill all requirements otherwise
37 required to be met by the Customer under this Part VII Special Terms and
38 Conditions: Western Transportation Service and be enforceable.
39
- 40 4) The Broker must execute a Western Transportation Service Agreement with the
41 Company on behalf of the Customer.
42
- 43 5) Brokers must obtain, and maintain in good standing, firm supply contracts and
44 transportation to the Alberta Border sufficient to meet the Maximum Daily Quantity
45 requirements, plus Fuel Gas on TCPL from the Alberta Border to the interconnect
46 between TCPL and the Company, and the allowed annual Primary Gas requirements
47 for each Customer as determined by the Company.
48

- 1 6) Representations and warranties, satisfactory to the Company, that the Broker
2 complies with the licensing requirements of the Board, including regulation relating to
3 gas supply and transportation, as may be amended from time to time.
4
- 5 7) The Company may reject service elections from Customers or Brokers whose supply
6 is not documented or confirmed to the Company's satisfaction.
7
- 8 8) The Company is not responsible for damages to the Customer should the Broker fail
9 to perform.
10
- 11 9) Brokers will be subject to creditworthiness review. In order to establish the Broker's
12 creditworthiness, the Company may require one or more of the following to be
13 maintained at all times:
14
- 15 a) A corporate credit rating of B++ or its equivalent;
16
- 17 b) A form of guarantee acceptable to the Company from a parent corporation that is
18 rated B++ or better;
19
- 20 c) A letter of credit equal to the value of the gas which the Company estimates will
21 be required to meet the two highest months of Customer requirements for
22 Primary Gas; or
23
- 24 d) Such other security as the Company may reasonably determine from time to
25 time.
26
- 27 M) The Company will remain the natural gas provider of last resort.
28
- 29 1) The Company will provide Bridging Service on a best-efforts basis to Customers of
30 Brokers whose registrations are revoked or whose Western Transportation Service
31 Agreements are terminated, until such time as the Customers can arrange for an
32 alternate supply of Primary Gas.
33
- 34 2) Both the Customer and the Broker remain responsible for all obligations that arise by
35 virtue of their participation, prior to the Customer's return to the Company's Sales
36 Service for Primary Gas, in Western Transportation Service or to Western
37 Transportation Service.
38
- 39 N) The Company will provide Backstop Gas in case of a failure of Broker supply on a best-
40 efforts basis as follows:
41
- 42 1) If on any day, a nomination is not accepted or if for any other reason, the Broker fails
43 to deliver gas to the Alberta Border, then the Company shall use its best efforts to
44 acquire gas to replace the failed supply with Backstop Gas.
45
- 46 2) In this event, the Company shall, in its discretion, charge the Broker and the Broker
47 shall pay for all Backstop Gas acquired on its behalf at a rate which shall not exceed
48 two times the incremental cost of the gas. The Broker and Customer acknowledge
49 that this is not a penalty, but a reasonable pre-estimate of liquidated damages and
50 organizational costs incurred by the Company.

- 1
2 3) If the Company is unable to acquire Backstop Gas then the Customer, on notice from
3 the Company, shall immediately curtail the use of gas at its facility. Customers who
4 continue to consume gas after notice from the Company will be subject to the
5 Penalty Gas Charge and the Penalty Delivery Charge.
6
7 4) All obligations of the Broker and Customer to make up used but undelivered
8 quantities of gas remain in place and other obligations and amounts due to the
9 Company remain due and payable.
10
11 5) The Company shall report all instances where Backstop Gas is supplied, or
12 requested but not supplied, to the Public Utilities Board.
13

14 O) SUSPENSION AND TERMINATION

- 15
16 1) The Company may, without prejudice to its right of termination, suspend its
17 obligations hereunder with respect to any Customer which itself or through its Broker
18 falls into arrears in any payments required under this Service by more than sixty (60)
19 days, such suspension to last until payment is made to the Company of any
20 outstanding amount. During such period of suspension, the Company shall, subject
21 to its right to disconnect service to the Customer under the provisions of The Public
22 Utilities Board Act, use its best efforts to acquire and sell gas to the Customer as
23 Backstop Gas, with any alterations as may be necessary.
24
25 2) Except as otherwise provided in the Terms and Conditions of this Service, the
26 Company may terminate its obligations if there is a material breach or default of any
27 representation, warranty, or obligation of the Customer or Broker under the Terms
28 and Conditions of this Service or any Western Transportation Service Agreement,
29 which is not remedied within 10 days of the Company giving written notice of the
30 breach or default to the Customer or Broker.
31
32 3) The Company may immediately terminate its obligations under this Service if one of
33 the following events occurs:
34
35 a) Performance by the Company of its obligations hereunder would be in
36 contravention of any law or regulation or any order or decision of a regulatory
37 body or governmental authority having jurisdiction; or
38
39 b) The Broker shall be declared or adjudged bankrupt, or if an application is made
40 in respect of the Broker under the Companies Creditors Arrangements Act
41 (Canada), or if a liquidator, trustee in bankruptcy, custodian, receiver, receiver
42 and manager, moderator or any other officer with similar powers shall be
43 appointed in place of or for the Broker, or if the Broker shall commit any act of
44 bankruptcy or institute proceedings to be adjudged bankrupt or insolvent or
45 consents to the appointment or the institution of such proceedings or admits in
46 writing to an inability to pay debts generally as they become due or becomes an
47 insolvent person as such term is defined in the Bankruptcy and Insolvency Act
48 (Canada); or if the Broker shall have liquidated, dissolved, wound up its affairs or
49 otherwise ceased doing business.
50

- 1 4) In the event that the Company exercises its rights of termination under paragraph 2
2 or 3 of these provisions, the Company shall concurrently with the termination, or as
3 soon as reasonably possible thereafter, give written notice to the Customer of the
4 termination.
5
6 5) In the event that this Service or the Agreement under which it is provided is
7 terminated, all outstanding obligations incurred under this Service by the Company,
8 the Broker and/or the Customer which arise by virtue of the Broker's or the
9 Customer's participation in this Service prior to such termination remain in full force
10 and effect. The Company and the Broker shall have the right to withhold any
11 payments due to the other party until its obligations accruing from the terminating
12 Customer are met. As between the Company and the Broker, each shall have the
13 right to set off any payments due to it by virtue of the Termination of the WTS
14 Agreement against amounts owing to the other pursuant to any Western
15 Transportation Service/Agency Billing and Collection Agreement, or the Gas Loan
16 Mechanism operated thereunder.
17
18 6) No waiver by either party or any default by the other party under this Service shall
19 operate as a waiver of any future default, whether of a like or different nature.
20

1 **VIII. SPECIAL TERMS AND CONDITIONS: AGENCY BILLING AND COLLECTION SERVICE (ABC**
2 **SERVICE)**

3
4 A) ABC Service allows a Broker to assign to the Company the right to render bills to
5 Western Transportation Service Customers in respect of the amount payable by the
6 Customers to the Broker for Primary Gas, and to collect from Western Transportation
7 Service Customers the amounts so billed. The Company will provide a single bill to
8 Customers that includes charges for volumes consumed by the Customer as Primary
9 Gas, as well as the Company's charges for services provided by the Company.

10
11 1) Use of this Service is optional for Western Transportation Service Customers in the
12 Small General and Large General classes.

13
14 2) The Broker must sign an ABC Service Agreement with the Company in order to
15 receive this Service.

16
17 3) Provision of this Service in no way makes the Company liable for any obligation
18 incurred by a Broker.

19
20 4) The Company will be entitled to deal with Primary Gas charges collected from
21 Western Transportation Service Customers in the same manner as it deals with its
22 own funds. These funds shall not, at any time, be construed to be trust funds.

23
24 B) The Broker will provide to the Company the Broker's Primary Gas Price to be charged to
25 the Broker's Customers.

26
27 1) The Broker's Primary Gas Price must be expressed in dollars per Cubic Meter of
28 Primary Gas consumed by the Broker's Customers.

29
30 2) The Broker's Primary Gas Price for Customers in the Small General and Large
31 General classes may be changed effective with each Gas Year quarter beginning
32 November 1, February 1, May 1 and August 1.

33
34 3) The Broker's Primary Gas Price for Customers in the High Volume Firm, Mainline
35 and Interruptible classes may be changed effective with the beginning of each
36 month.

37
38 4) Changes to the Broker's Primary Gas Price must be provided to the Company 30
39 days prior to the effective date of such change.

40
41 C) Brokers will enroll Customers in ABC Service at the same time the Customers are
42 enrolled in Western Transportation Service. Enrollment in ABC Service will automatically
43 end when Western Transportation Service is terminated by the Customer, the Broker or
44 the Company.

45
46 1) Brokers must group Small General and Large General Customers such that all
47 Customers in the Group are charged the same Broker's Primary Gas Price.
48

- 1 2) Separate Groups of Customers in the Small General and Large General classes may
2 be established by the Broker for purposes of charging different Broker's Primary Gas
3 Prices under ABC Service.
4
- 5 3) The Customers in the Small General and Large General classes must be grouped to
6 a minimum Customer load totaling 310,000 m³ per year for each distinct Broker's
7 Primary Gas Price established by the Broker.
8
- 9 4) The Company may permit the aggregation of Customers in the High Volume Firm,
10 Mainline and Interruptible classes with Small General and/or Large General
11 Customers in order to meet the minimum Customer load requirements.
12
- 13 5) Changes in enrollment for ABC Service may be requested using the enrollment
14 process for Western Transportation Service. The Company will inform the Broker
15 whether it can accommodate the change in enrollment.
16
- 17 6) The Company is not obligated to provide ABC Service to Customers in the High
18 Volume Firm, Mainline or Interruptible classes who are 30 days or more in arrears, or
19 are otherwise not deemed creditworthy by the Company.
20
- 21 D) Bills to any Customer will be issued according to the Company's billing cycle applicable
22 to that Customer.
23
- 24 1) The Company will include the Broker's charges for Primary Gas on every bill for
25 natural gas service which the Company renders to the Customer.
26
- 27 2) The Company will calculate the Broker's charges for Primary Gas in the same
28 manner as it calculates its own Charges for Primary Gas, including the provisions for
29 proration of price changes during billing periods.
30
- 31 3) The Customer will make a remittance to the Company based on the total amount of
32 charges on the bill.
33
- 34 4) The Company will be responsible for collecting the total amount of charges on the
35 bill.
36
- 37 5) Payments made by Customers to the Company pursuant to bills rendered by the
38 Company shall be made without any right of deduction or set-off and regardless of
39 any rights the Customers may have against the Broker.
40
- 41 6) Nonpayment of any amounts designated as Primary Gas charges on the bill shall
42 entitle the Company to the same recourse as non-payment of the Company's
43 charges, and may result in termination of service by the Company.
44
- 45 7) The Company's late payment charges to Customers will apply equally to Primary
46 Gas charges and other charges contained on the bill. No portion of these late
47 payment charges will be remitted to the Broker.
48
- 49 E) The Company will remit to the Broker an amount equivalent to the Broker's charges for
50 Primary Gas subject to the Company's right to deduct and set off any amounts owing to

1 the Company by the Broker. Remittance shall be made by the Company to the Broker
2 for a calendar month on or before the 20th day of the month following such calendar
3 month. If such day is not a Business Day, such amount shall be due and payable on the
4 first Business Day following such day.
5

6 1) Remittances will be based on the total Broker's charges for Primary Gas billed by the
7 Company to the Broker's Customers in that calendar month. The remittance payable
8 by the Company to the Broker for any calendar month will be calculated as the sum
9 of total Broker charges for Primary Gas and any amounts payable for that month by
10 the Company to the Broker under the Gas Loan Mechanism, less any amounts
11 payable by the Broker to the Company, including but not limited to payments
12 required pursuant to the Gas Loan Mechanism.
13

14 2) Where the amounts to be deducted under subparagraph (1) are greater than the sum
15 of Primary Gas charges billed to the Broker's Customers and Gas Loan payments
16 due from the Company to the Broker, the Company will invoice the Broker for the net
17 amount to be paid by the Broker to the Company. Remittance shall be made by the
18 Broker to the Company for a calendar month on or before the 20th day of the month
19 following such calendar month. If such day is not a Business Day, such amount shall
20 be due and payable on the first Business Day following such day.
21

22 3) Remittance under ABC Service will be made regardless of the payment status on the
23 Customer's bill.
24

25 4) Remittance shall be made via electronic funds transfer.
26

27 5) Each week, the Company will provide to the Broker a statement of the Primary Gas
28 charges billed to that Broker's Customers in the prior week.
29

30 6) The Company will issue a statement of the Primary Gas charges billed to the
31 Broker's Customers on the 15th day of the month following the month in which gas is
32 delivered. If such day is not a Business day, such statement shall be issued on the
33 first Business Day following such day.
34

35 7) Any amount to be remitted hereunder and not remitted on or before the date on
36 which it is due (the "due date") shall thereafter bear interest at an annual rate equal
37 to the cost of the Company's short term debt as approved by the Board from time to
38 time in effect on the due date.
39

40 8) Any taxes (other than the Company's income taxes) and other charges which may
41 become payable on or in respect of any Billing Service Fee payable by the Broker
42 hereunder shall be borne and paid by the Broker.
43

44 9) Nothing contained in these Special Terms and Conditions of Agency Billing and
45 Collection Service shall operate to assign to the Company, or require the Company
46 to bill or collect or remit, any amounts payable as between the Customer and the
47 Broker, save and except such charges for Primary Gas as the Company shall
48 calculate hereunder using the Broker's Primary Gas Price effective pursuant to this
49 Service.
50

1 10) The Company may terminate service under this Service for reasons other than
2 Customer non-payment if the Broker shall be declared or adjudged bankrupt, or if an
3 application is made in respect of the Broker under the Companies Creditors
4 Arrangements Act (Canada), or if a liquidator, trustee in bankruptcy, custodian,
5 receiver, receiver and manager, moderator or any other officer with similar powers
6 shall be appointed in place of or for the Broker, or if the Broker shall commit any act
7 of bankruptcy or institute proceedings to be adjudged bankrupt or insolvent or
8 consents to sue, appointment or the institution of such proceedings or admits in
9 writing to an inability to pay debts generally as they become due or becomes an
10 insolvent person as such term is defined in the Bankruptcy and Insolvency Act
11 (Canada); or if the Broker shall have liquidated, dissolved, wound up its affairs or
12 otherwise ceased doing business. In addition, the Company may immediately
13 terminate this Service in the event of a breach of the Agency Billing and Collection
14 Service Agreement that is not remedied within ten (10) days of the notice of such
15 breach being provided. Notwithstanding the termination of ABC Service, each party
16 shall continue to be liable to pay, on the terms herein specified, any amount accrued
17 or accruing due by such party to the other at the time of termination, regardless of
18 when such amount becomes payable.
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IX. RATE SCHEDULES (BASE RATES ONLY – NO RIDERS)

Please see pages 1 and 2 of Appendix A as attached.

X. RATE SCHEDULES – ANNUAL RATES (BASE RATES PLUS RIDERS)

Please see pages 3 and 4 of Appendix A as attached.

XI. MISCELLANEOUS CHARGES FOR SERVICE

BROKER ADMINISTRATION FEE:

The Broker Administration Fees are paid by Brokers who participate in the Company's Buy/Sell program. Each participating Broker will establish a contract with the Company that governs the Broker's participation in the program. There is a fee of \$133.33 per month per Broker contract. Brokers will also pay a fee of \$0.1472 per month per Customer served by the Broker under the Buy/Sell program.

COMPANY LABOUR RATE:

\$55.00 per hour.

DAMAGE TO COMPANY EQUIPMENT:

Materials, labour, equipment and cost of gas.

EQUIPMENT RENTAL RATE:

Various rates depending on equipment and customer class.

FINANCE EQUIPMENT INTEREST:

12.9%

FURNACE SAFETY CHECK:

The charge for a safety check and tune-up of a natural gas furnace will be \$50. There is no charge for the Company to investigate a situation involving the potential leakage of gas.

INSPECTION/REINSPECTION FEES:

Inspection or reinspection of a single replacement or additional residential appliance will be \$35.00. All other inspections or reinspections (minimum charge of 1 hour) will be \$55.00 per hour.

LATE PAYMENT CHARGE:

A late payment charge of 1 ¼% per month shall be charged on the dollar amount owing after each billing due date. The due date will be at least 14 days after the mailing of the bills.

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MATERIALS:

Manufacturer's listed price plus freight and taxes.

METER RELOCATIONS:

Various rates depending on size of meter.

METER TEST:

When a Customer requests a test for the meter, the charge will be \$35 for a Residential Meter or \$130 for a Commercial Meter. This charge includes the cost of the test performed, and the removal and replacement of the natural gas meter.

PENALTY DELIVERY CHARGE:

For delivery service taken in contravention of the Company's notice of curtailment, the applicable Penalty Delivery Charge shall be equal to the greater of: firm LGS volumetric rate for Transportation to Centra and Distribution to Customer Service, or; a pro rata share with any other Customers in contravention of the Company's notice of curtailment of any incremental costs incurred directly or indirectly as a result of such contravention.

PENALTY GAS CHARGE:

For gas taken in contravention of any conditions set forth in these terms and conditions of service, the maximum that the Company may charge shall be the sum of (1) and (2) as follows: (1) the applicable delivery charge; (2) the greater of \$0.5295/m³ or the cost to the Company of obtaining replacement gas for delivery to the designated receipt point on that day.

RECONNECT FEES:

On each occasion when gas service is discontinued and subsequently resumed to the same Consumer at the same Premises, a reconnect fee will be charged in addition to: (a) the Basic Monthly Charge, except where a customer is disconnected in accordance with Section G) 2) of the Terms and Conditions of Service; and (b) the Demand Charge (if applicable) for the period of disconnection. For purposes of establishing the Monthly Demand Charge, the Demand Charge billed during the last month that service was provided will apply.

Where a service reconnection takes place during regular business hours, a reconnect fee of \$50 (plus GST) shall be charged. Where a service reconnection takes place outside of regular working hours a reconnect fee of \$65 (plus GST) shall be charged.

In the event that the meter and regulation equipment are removed and replaced on the same Premises within five years of removal, the Company may charge an additional fee equal to the cost of resetting the meter and regulator.

RETURNED CHEQUE CHARGE:

When a Consumer's cheque is returned by banks or other financial institutions for reasons beyond the control of the Company, a returned cheque charge of \$20.00 will be assessed to the Customer.

- 1 SECURITY DEPOSITS:
- 2 Three highest months consumption to a maximum of \$225.
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- 4 SERVICE DISCONNECTION:
- 5 In situations where a building is renovated or demolished, the Service
- 6 Disconnection/Reconnection fee is \$220.
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- 8 SERVICE RELOCATIONS:
- 9 Where a customer requests, or where the customer's conduct requires, that an existing
- 10 service line be altered or relocated (so that it follows a different route from that chosen
- 11 by Centra when it was initially installed), the Customer shall pay all costs associated with
- 12 the alteration or relocation, including the material, labour, and equipment required to
- 13 perform the alteration or relocation.
- 14
- 15 YARD SERVICES:
- 16 Materials plus 40% plus labour.
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