

THIS M16 TRANSPORTATION CONTRACT dated as of the ____ day of [Month, year],

ENBRIDGE GAS INC., a company existing under the laws of the Province of Ontario,
(hereinafter referred to as “**Enbridge**”)

- and -

[**SHIPPER NAME**], a [type of entity] existing under the laws of the (Province, State, Country) of _____,
(hereinafter referred to as “**Shipper**”)

WHEREAS, Enbridge owns and operates a natural gas transmission system in south-western Ontario, through which Enbridge offers the services as more particularly defined in Article II herein;

AND WHEREAS Enbridge is willing to install, own, operate, and maintain the pipeline and measurement facilities necessary to receive and deliver Shipper's gas;

AND WHEREAS, Shipper is a natural gas storage operator in the province of Ontario who is seeking or has obtained permission from the OEB to inject gas into, store gas in and remove gas from the [**Pool Name**] gas storage facility located in [**Location**], (geographic Township of [**Location**]), Ontario (the “**Pool**”);

AND WHEREAS, Shipper wishes to retain Enbridge to provide the Services, as set out herein, and Enbridge has agreed, subject to the terms and conditions of this Contract, to provide the Services requested;

NOW THEREFORE, this Contract witnesses that, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE I - INTERPRETATION AND DEFINITIONS

1.01 Divisions, Headings and Index: The division of this Contract into Articles, Sections and Subsections, and the insertion of headings and any table of contents or index provided are for convenience of reference only, and shall not affect the construction or interpretation hereof.

1.02 Industry Usage: Words, phrases or expressions which are not defined herein and which, in the usage or custom of the business of the transportation, storage, and distribution or sale of natural gas have an accepted meaning shall have that meaning.

1.03 Extended Meaning: Unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders. The words “herein” and “hereunder” and words of similar import refer to the entirety of this Contract, including the Schedules incorporated into this Contract, and not only to the Section in which such use occurs.

1.04 Conflict: In the event of any conflict between the provisions of this Contract and the C1 Rate Schedule or the M16 Rate Schedule, as defined below, the provisions of the C1 Rate Schedule or the M16

Rate Schedule, as the case may be, shall prevail over this Contract, and in the event of a conflict between the C1 Rate Schedule and the M16 Rate Schedule, the M16 Rate Schedule shall prevail.

1.05 Currency: All reference to dollars in this Contract shall mean Canadian dollars unless otherwise specified.

1.06 Schedules: Refers to the schedules attached hereto which are specifically included as part of this Contract, and include:

Schedule 1 – Contract Parameters

1.07 Rate Schedules:

a) “**Enbridge’s C1 Rate Schedule**” or the “**C1 Rate Schedule**” or “**C1**” shall mean Enbridge’s C1 Rate Schedule (including the Storage and Transportation Rates, Schedule “A 2010” (“**General Terms and Conditions**”), Schedule “B 2010” (“**Nominations**”), and Schedule “C 2010” (“**Receipt and Delivery Points and Pressures**”)), or such other replacement rate schedule which may be applicable to the Services provided hereunder as approved by the Ontario Energy Board.

b) “**Enbridge’s M16 Rate Schedule**” or the “**M16 Rate Schedule**” or “**M16**” shall mean Enbridge’s M16 Rate Schedule, (including Schedule “A 2013” (“**General Terms and Conditions**”)), or such other replacement rate schedule which may be applicable to the Services provided hereunder as approved by the Ontario Energy Board, and shall apply hereto, as amended from time to time, and which is incorporated into this Contract pursuant to Section 5.03 hereof.

1.08 Measurements: Units set out in Imperial measurement in parentheses beside their SI (metric) equivalent are for reference only and in the event of a conflict between SI (metric) and Imperial measurement herein, SI (metric) shall prevail.

ARTICLE II - SERVICES

2.01 Services: Enbridge shall, subject to the terms and conditions herein, transport Shipper’s gas on Enbridge’s system (the “**Services**”). Shipper agrees to the following upon nomination to Enbridge for the provision of the Services:

- a) Term, transportation services, Receipt Points and Delivery Points and Pressures, and Maximum Station Capacity shall be as set out in Schedule 1
- b) Limitations: Notwithstanding anything in Schedule 1 hereof:
 - i. The service parameters in Article VI herein are subject to compliance with the terms hereof, in particular the pressure restrictions of Schedule 1 attached;
 - ii. Enbridge shall under no circumstances be required to authorize delivery on any Day, a quantity of gas in excess of the contract demands or in any hour a quantity of gas in excess of 5% of the Authorized Quantity;

- iii. Shipper shall use reasonable best efforts to nominate a quantity of gas less than or equal to the maximum quantity of gas Shipper expects it can deliver or receive in any Day;
 - iv. Enbridge shall under no circumstances be required to authorize a nomination that is greater than the Maximum Station Capacity. The station is designed to have a Maximum Station Capacity and design pressure as detailed in Schedule 1 herein;
 - v. Enbridge shall under no circumstances be required to authorize a nomination (which for greater clarity, shall include any nomination for firm contract demand) for transportation of gas from the Receipt Point at the Custody Transfer Point to the Delivery Point of Dawn (Facilities) on any Day that is greater than the forecasted consumption (by Enbridge, acting reasonably) for the local transmission system specified in Schedule 1 herein, for that Day.
- c) **Balancing Service:** Enbridge and Shipper recognize that on any Day the receipt of gas by Enbridge and the delivery of gas by Enbridge may not always be exactly equal. The difference between the Pool Quantity and Authorized Quantity will be handled as though it was delivered to or received from Enbridge at Dawn under the Facilitating Agreement. Shipper further acknowledges that it is impractical for Shipper to nominate the Pool Quantity. Enbridge shall calculate the Pool Quantity on a post-flow basis.

2.02 **Accounting for Service:** All quantities of gas handled by Enbridge shall be accounted for on a daily basis.

2.03 **Commingling:** Enbridge shall have the right to commingle the quantity of gas referenced herein with gas owned by Enbridge or gas being stored and/or transported by Enbridge for third parties.

ARTICLE III - CHARGES AND RATES

3.01 The charges and rates to be billed by Enbridge and paid for by the Shipper for the Services provided under this Contract will be those specified in Enbridge's M16 Rate Schedule for transportation services as determined by the Pool's location and fuel election as detailed in Schedule 1 herein.

ARTICLE IV - NOMINATIONS

4.01 Services provided hereunder shall be in accordance with the prescribed nominations procedure as set out in Schedule "B 2010" of Enbridge's C1 Rate Schedule.

ARTICLE V - MISCELLANEOUS PROVISIONS

5.01 **Notices:** All communications provided for or permitted hereunder shall be in writing, personally delivered to an officer or other responsible employee of the addressee or sent by registered mail, charges prepaid, or by facsimile or other means of recorded electronic communication, charges prepaid, to the applicable address or to such other address as either party hereto may from time to time designate to the other in such manner, provided that no communication shall be sent by mail pending any threatened, or during any actual, postal strike or other disruption of the postal service. Shipper contact

information, as provided to Enbridge, shall be found on the secured portion of Enbridge's website (the secured portion of Enbridge's website is known as "*Unionline*"). Enbridge's contact information shall be displayed on the unsecured portion of Enbridge's website. Any communication personally delivered shall be deemed to have been validly and effectively received on the date of such delivery. Any communication so sent by facsimile or other means of electronic communication shall be deemed to have been validly and effectively received on the Business Day following the day on which it is sent. Any communication so sent by mail shall be deemed to have been validly and effectively received on the seventh Business Day following the day on which it is postmarked.

Notwithstanding the above, nominations shall be made by facsimile or other recorded electronic means, subject to execution of an agreement for use of *Unionline*, or such other agreement, satisfactory to Enbridge, and will be deemed to be received on the same Day and same time as sent. Each party may from time to time change its address for the purpose of this Section by giving notice of such change to the other party in accordance with this Section.

5.02 Law of Contract: Enbridge and Shipper agree that this Contract is made in the Province of Ontario and that, subject to Article X of the General Terms and Conditions, the courts of the Province of Ontario shall have exclusive jurisdiction in all matters contained herein. The parties further agree that this Contract shall be construed exclusively in accordance with the laws of the Province of Ontario.

5.03 Entire Contract: This Contract (including Schedule 1), all applicable rate schedules and price schedules, and any applicable Precedent Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. This Contract supersedes any prior or contemporaneous agreements, understandings, negotiations or discussions, whether oral or written, of the parties in respect of the subject matter hereof.

5.04 Time of Essence: Time shall be of the essence hereof.

5.05 Counterparts: This Contract may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original but all of which together shall constitute one and the same agreement. This Contract may be executed by facsimile or other electronic communication and this procedure shall be as effective as signing and delivering an original copy.

5.06 Severability: If any provision hereof is invalid or unenforceable in any jurisdiction, to the fullest extent permitted by law, (a) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in order to carry out the intention of the parties as nearly as possible and (b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of any provision in any other jurisdiction.

5.07 General Liability: The liability of the parties hereunder is limited to direct damages only and all other remedies or damages are waived. In no event shall either party be liable for consequential, incidental, punitive, or indirect damages, in tort, contract or otherwise.

ARTICLE VI - PRESSURES

6.01 Enbridge may in its sole discretion at any time vary the pressure at the local transmission system as described in Schedule 1 herein.

6.02 Transportation to the Pool: Notwithstanding anything herein, Enbridge shall under no circumstance be obligated to authorize a nomination or transport any quantity of gas under this Contract to the Delivery Point of the Custody Transfer Point if: (a) the pressure at the Custody Transfer Point exceeds the maximum pressure for the Custody Transfer Point; or (b) the pressure of deliveries at the Receipt Point is less than the minimum pressure for the Receipt Points; both described in Schedule 1 herein.

6.03 Transportation to Dawn: Notwithstanding anything herein, Enbridge shall under no circumstance be obligated to authorize a nomination or transport any quantity of gas under this Contract to the Delivery Point of Dawn (Facilities) if the pressure at the Custody Transfer Point is less than the minimum pressure for the Custody Transfer Point described in Schedule 1 herein. For deliveries to the Delivery Point of Dawn (Facilities), deliveries by Enbridge shall be made at a pressure of not less than the minimum pressure for Dawn (Facilities) described in Schedule 1 herein.

6.04 Under no circumstances shall Enbridge be obligated to receive or deliver gas hereunder at pressures exceeding the maximum allowable operating pressures prescribed under any applicable governmental regulations; nor shall Enbridge be required to make any physical deliveries which its existing facilities cannot accommodate or that exceed the delivery pressure as Enbridge may set from time to time.

THIS CONTRACT SHALL BE BINDING UPON and shall enure to the benefit of the parties hereto and their respective successors and permitted and lawful assigns.

IN WITNESS WHEREOF this Contract has been properly executed by the parties hereto by their duly authorized officers as of the date first above written.

ENBRIDGE GAS INC.

Per: _____
Authorized Signatory

[SHIPPER NAME]

Per: _____
Authorized Signatory

CONTRACT PARAMETERS

Term

This Contract shall be effective as of the date of execution hereof; however, the obligations, terms and conditions for the Transportation Services herein shall commence on the later of:

- [Month day, year]; and
- the day following the date that all of the conditions precedent set out in Article XXI of Schedule “A 2013” of Enbridge’s M16 Rate Schedule have been satisfied or waived by the party entitled to the benefit thereof;

(such later date being referred to as the “**Commencement Date**”), and shall continue in full force and effect until [Month day, year] (the “**Initial Term**”).

Conditions Date

As referred to in Article XXI of M16 Schedule “A 2013”: [Month day, year]

Transportation Service

The firm contract demand and the interruptible contract demand for transportation services shall be:

- i. Injection period: From April 1 to October 31, Enbridge shall transport from the Receipt Point of Dawn (Facilities) or Dawn(TCPL) to the Delivery Point of Custody Transfer Point, on a firm basis, a quantity of gas on any one Day of up to [Quantity] GJ and on an interruptible basis from April 1 to October 31 up to [Quantity] GJ/Day and on an interruptible basis from November 1 to March 31 up to [Quantity] GJ/Day;
- ii. Withdrawal Period: From November 1 to March 31, Enbridge shall transport from the Receipt Point of Custody Transfer Point to the Delivery Point of Dawn (Facilities), on a firm basis, a quantity of gas on any one Day of up to [Quantity] GJ and on an interruptible basis from November 1 to March 31 of [Quantity] GJ/Day and on an interruptible basis from April 1 to October 31 up to [Quantity] GJ/Day;

Enbridge agrees that it shall, upon the request of Shipper, use reasonable efforts to transport gas on an overrun basis (any gas transported to the Pool above [Quantity] GJ/Day or from the Pool above [Quantity] GJ/Day), if authorized by Enbridge in its sole discretion.

Receipt Points and Delivery Points and Pressures

Receipt Points:

- i. Custody Transfer Point
 - a. maximum pressure of [pressure] kPag ([redacted] Psig)
 - b. minimum pressure of [pressure] kPag ([redacted] Psig)
- ii. “**Dawn (Facilities)**”: Enbridge’s compressor station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn Euphemia, in the County of Lambton;
 - a. minimum pressure of 4,825 kPag (700 Psig)
- iii. “**Dawn (TCPL)**”: At the junction of Enbridge’s and TCPL’s facilities, at or adjacent to Dawn (Facilities)
 - a. minimum pressure of 4,825 kPag (700 Psig)

Delivery Points:

- i. Custody Transfer Point
 - a. maximum pressure of [pressure] kPag ([redacted] Psig)
 - b. minimum pressure of [pressure] kPag ([redacted] Psig)
- ii. “**Dawn (Facilities)**”: Enbridge’s compressor station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn Euphemia, in the County of Lambton;
 - b. minimum pressure of 4,825 kPag (700 Psig)

Maximum Station Capacity

The Maximum Station Capacity shall be [Quantity] GJ/Day at a design pressure of [pressure] kPag ([redacted] Psig) (as measured at the Custody Transfer Point)

Pressure at Local Transmission System

The [name of local transmission system] system pipeline pressure shall range between [pressure] kPag ([redacted] Psig) and [pressure] kPag ([redacted] Psig).

Pool

The pool connected to the Pool Station for the purposes of the Contract is referred to as [Pool Name]. This pool is located [east or west] of Dawn.

Fuel Requirements

Please check one: Shipper provides fuel OR Enbridge provides fuel

Aid to Construction

The Aid to Construction is estimated to be [Estimate] but the parties agree that this figure is an estimate only and the actual Aid to Construction may be higher or lower, and the Shipper will pay Enbridge's actual costs incurred.

Shipper shall pay to Enbridge [Amount] (the "First Payment") at the time of the execution of this Contract and shall pay an amount every month as invoiced by Enbridge starting one (1) month after the payment of the First Payment until the Aid to Construction is paid in full.

SAMPLE