

**THIS M13 TRANSPORTATION AND PRODUCER BALANCING SERVICE AND NAME****CHANGE SERVICE CONTRACT** dated as of the     <sup>th</sup> day of     , 20    ,

**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>** **<location of incorporation>**,  
(hereinafter referred to as "**Shipper**")

WHEREAS, Enbridge owns and operates a natural gas transmission and storage system in south-western Ontario, through which Enbridge offers "**Services**" (as defined in Article II herein) for natural gas as M13 transportation service with associated producer balancing service and name change service;

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 the main body of this Contract, Schedules 1 and 2, and Enbridge's C1, M13 and T1 Rate Schedules, as defined below, the provisions of Schedules 1 and 2 shall prevail over the provisions of the main body of the Contract and the provisions of

Enbridge's C1, M13 and T1 Rate Schedules shall prevail over Schedules 1 and 2 and the main body of this Contract.

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
- Schedule 2 - Service Terms and Rates

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 M13 Rate Schedule**” or the “**M13 Rate Schedule**” or “**M13**” shall mean Enbridge’s M13 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.
- (c) “**Enbridge’s T1 Rate Schedule**” or the “**T1 Rate Schedule**” or “**T1**” shall mean Enbridge’s T1 Rate Schedule, or such other replacement rate schedule which may be applicable to the Services provided hereunder as approved by the Ontario Energy Board.

1.08 Measurements: Units set out in SI (metric) are the governing units for the purposes of this Contract. 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 Enbridge agrees, subject to the terms and conditions herein, to provide the following services set out in this Section 2.01 and in Section 2.02 (c) and (e) (the “**Services**”).

Enbridge agrees to accept delivery of the Produced Volume, on a reasonable efforts basis, at the Receipt Point(s) provided that:

- (a) Enbridge has sufficient System Capacity to receive the gas offered for delivery by Shipper; and,
- (b) the quality of such gas meets the Terms and Conditions as set forth in Schedule “A 2013”, General Terms & Conditions, Article II of Enbridge’s M13 Rate Schedule.

Enbridge further agrees to deliver each Day at the Delivery Point the Dawn Quantity on the same Day as Shipper delivers the Produced Volume.

Enbridge shall deliver at the Delivery Point a Market Quantity provided Shipper has tendered its daily quantity nomination to Enbridge so that it is received in accordance with Schedule “B 2010” of Enbridge’s C1 Rate Schedule and Enbridge has scheduled such nomination.

2.02 Enbridge and Shipper acknowledge that this Contract shall be governed by the following principles:

- (a) on an ongoing basis during each Contract Year the total Dawn Quantity shall equal the total Market Quantity, and Enbridge and Shipper shall each use their reasonable efforts to achieve this;
- (b) Shipper agrees that on each Day no more than the Maximum Daily Quantity will be delivered to Enbridge as Produced Volume;
- (c) Enbridge and Shipper acknowledge that it is impractical for Shipper to nominate the Produced Volume to Enbridge. Enbridge shall retroactively calculate the Produced Volume. Enbridge has agreed to provide a Producer Balancing Service. Enbridge agrees to either receive a quantity of gas from Shipper at Dawn (Facilities) which shall equal the Dawn Quantity less the Market Quantity, where such amount is greater than zero, and credit the Producer Balancing Account; or, to deliver a quantity of gas to Shipper which shall equal the Market Quantity less the Dawn Quantity, where such amount is greater than zero, and debit the Producer Balancing Account, such quantity of gas on a retroactive basis, on the terms and conditions contained in Schedule 2 attached hereto, as may be revised from time to time by Enbridge;
- (d) Except under that circumstance where Shipper purchases third party gas to correct a debit position in the Producer Balancing Account, the only quantities that shall be debited or credited under the Producer Balancing Account are the Dawn Quantity. Any gas that may be purchased to correct a debit position as herein provided, shall be delivered to Enbridge at the Delivery Point; and,
- (e) Enbridge agrees, on any Day, to provide a Name Change Service immediately downstream of Enbridge’s facilities at Dawn (Facilities) for any quantity of gas which Shipper may deliver and which Enbridge has authorized. Shipper and/or its designate shall ensure that Enbridge is notified of the names of the parties underlying this transaction, which name change(s) Enbridge shall confirm to all relevant transporters (including Enbridge). Enbridge will not provide the Name Change Service unless the party to which the gas is being transferred has executed a valid Enbridge approved Interruptible Service Hub Contract and has made a Service Hub nomination with Enbridge, or has properly nominated under other contracts in place with Enbridge.

2.03 Accounting for Services: All quantities of gas handled by Enbridge shall be accounted for on a daily basis. Services provided hereunder shall be in accordance with the prescribed nominations procedures herein, and shall be interruptible in nature and subordinate to any and all firm services supplied by Enbridge.

2.04 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 Except as otherwise stated herein, the charges and rates to be billed by Enbridge and paid by Shipper for the Services provided under this Contract will be those specified in Schedule 2 attached hereto, as may be revised from time to time by Enbridge, upon notice to Shipper.

### **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 “*Enerline*”). 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 *Enerline*, 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 and Schedule 2), 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 Amendments: Enbridge may from time to time amend this Contract, excluding Schedule 1 and Schedule 2, by posting the amendment on Enbridge’s website, with such amendment to take effect six (6) months after such posting. Such amendments are applicable to all of Enbridge’s shippers on a non-discriminatory basis.

5.07 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.

5.08 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.

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.

**<SHIPPER NAME>**  
*Authorized Signatory*

**ENBRIDGE GAS INC.**  
*Authorized Signatory*

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**CONTRACT PARAMETERS**

**Term**

This Contract shall be effective as of the date of execution hereof; however, the obligations, terms and conditions for the 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 M13 Rate Schedule have been satisfied or waived by the party entitled to the benefit thereof;

where applicable for Precedent Agreement:

- and the day following the date that all of the conditions precedent set out in the agreement setting out certain construction and related conditions (“**Precedent Agreement**”) dated [Month day, year] 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 M13 Schedule “A 2013”: [Month day, year]

**Receipt Points and Delivery Point, Quantities, and Pressures**

**The following defines each of the Receipt Points:**

Receipt Point #1: [Name] The gas production site measured by Enbridge’s meter located at [Lot], Concession, Township, County, Province of Ontario, Station #

Maximum Daily Quantity:

Receipt Point #1 10<sup>3</sup>m<sup>3</sup> of gas.

Pressures: Shipper's MAOP at each Receipt Point shall be as follows:

Receipt Point #1 MAOP is kPa.

The pressure of the gas delivered by Shipper to Enbridge at the Receipt Point(s) shall be sufficient

to move gas into Enbridge's pipeline but may not exceed the MAOP at the Receipt Point(s) as specified above. Enbridge may change the MAOP from time to time and Enbridge shall provide to Shipper six (6) months' notice of such change in accordance with the provisions of Article XVIII 2(c) of the M13 General Terms & Conditions.

**The following defines the Delivery Point:**

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. This point is applicable for quantities of gas that have been previously transported or stored under other contracts that Shipper may have in place with Enbridge.

Pressures:

DAWN (Facilities): Deliveries by Enbridge shall be made at a pressure of not greater than 4,825 kPa.

**Modified Water Vapour Requirement:**

At Receipt Point #1 Maximum Water Vapour Content is 230 mg per m<sup>3</sup> (14 lbs/mmcf) OR 65 mg per m<sup>3</sup> (4 lbs/mmcf).

Both Parties agree that should Enbridge at any time experience malfunctioning of or deterioration of the measurement equipment, gas control equipment, or other appurtenance, in Enbridge's pipeline system or should Enbridge's customers experience problems with the combustion or usage of gas in their gas burning equipment due to excessive moisture content, Enbridge at its sole discretion may reduce the maximum water vapour content requirement for gas delivered under the Contract to that which is specified in Article II, Section 2. h. of the M13 Schedule "A 2013". In the event Enbridge reduces the maximum water vapour content requirement to that which is specified in Article II, Section 2. h. of the M13 Schedule "A 2013", Enbridge shall continue to purchase Shipper's gas at 230 mg per m<sup>3</sup> (14 lbs/mmcf) for ninety (90) Days after such notice. Upon the termination of such ninety (90) Day period, Shipper's gas must meet Article II, Section 2. h. of the M13 Schedule "A 2013" requirements.

**Fuel Requirements**

Please check one: Shipper provides fuel  OR Enbridge provides fuel

**Prepayment**

The Prepayments for Receipt Point #1 as specified in Article XXI, Section 1. g. of the M13 Schedule "A 2013" are as follows:



The First Prepayment upon execution of this Contract is \$ [currency].  
The Second Prepayment prior to installation of Receipt Point #1 is \$ [currency].

**Special Provisions**

*Here insert any special provisions applicable to this Contract*

SAMPLE



<SHIPPER NAME>

**SERVICE TERMS AND RATES**

**1. Service Terms and Conditions:**

- (a) Shipper shall have a Firm Daily Variability Demand of   GJ;
- (b) During the period of September 15 to November 15 in the event that on any Day the Dawn Quantity exceeds the Market Quantity by an amount greater than the Firm Daily Variability Demand (this amount shall be referred to as the “**Excess**”), Enbridge may, at its sole discretion, accept the Excess. In the event that the Excess is greater than zero, and Enbridge has not accepted such Excess in writing, Shipper shall pay Enbridge a charge equal to \$3.00/GJ (\$3.17/MMBtu) multiplied by the Excess. In addition, Enbridge may at its option, upon forty-eight (48) hours verbal notice to the Shipper (to be followed in writing), take title of such Excess which shall be immediately forfeited to Enbridge without further recourse;
- (c) During the period of February 15 to April 15 in the event that on any Day the Market Quantity exceeds the Dawn Quantity by an amount greater than the Firm Daily Variability Demand (this amount shall be referred to as the “**Shortfall**”), Enbridge may, at its sole discretion, accept the Shortfall. In the event that the Shortfall is greater than zero, and Enbridge has not accepted such Shortfall in writing, Shipper shall pay Enbridge a charge equal to \$3.00/GJ (\$3.17/MMBtu) multiplied by the Shortfall. In addition, Enbridge may upon forty-eight (48) hours verbal notice to the Shipper (to be followed in writing), replace all or part of the Shortfall at Shipper's expense;
- (d) The Producer Balancing Account shall be limited to the following:
  - i. From November 1 to November 30 a cumulative credit position of up to   GJ or a cumulative debit position of up to   GJ;
  - ii. From December 1 to April 30, a cumulative credit position of up to   GJ or a cumulative debit position of up to   GJ;
  - iii. From May 1 to September 14, a cumulative credit position of up to   GJ or a cumulative debit position of up to   GJ;
  - iv. From September 15 to October 31, a cumulative credit position of up to   GJ or a cumulative debit position of up to   GJ; and,
  - v. In the event that this Contract is terminated, the balance in the Producer Balancing Account shall be zero (0) on the effective date of termination.

**2. Rates for Service:**

- (a) A Monthly fixed charge applicable to “other contracts” as specified in Enbridge's M13 Rate Schedule or such other replacement rate schedule which may be applicable and as may be amended from time to time by Enbridge; plus,
- (b) The charge payable for the transportation of the Dawn Quantity shall be the Delivery Commodity Charge as specified in Enbridge's M13 Rate Schedule or such other replacement rate schedule which may be applicable and as may be amended from time to time by Enbridge; plus,
- (c) The charge payable for the Firm Daily Variability Demand shall be equal to the rate specified in Enbridge’s T1 Rate Schedule for Annual Firm Injection/Withdrawal Right, Enbridge provides deliverability Inventory, under Storage Services; plus,
- (d) The charge payable for each of the quantities debited or credited to the Producer Balancing Account shall be \$0.05/GJ (\$0.053/MMBtu); plus,
- (e) The charge payable for Name Change Service shall be that of the HUB Pricing Provisions Schedule, Section D – Name Change, posted on Enbridge’s website, [www.Enbridgegas.com](http://www.Enbridgegas.com), which schedule is revised from time to time by Enbridge. In the event that in any Month Shipper's charges pursuant to this Contract, (excluding Name Changes or Redirects) or any other storage and transportation agreements with Enbridge, exceed \$5,000 the maximum fee for the Name Change Service provided for that Month shall be that of the HUB Pricing Provisions Schedule; plus,
- (f) The charge payable for exceeding the limitations on the Producer Balancing Account as specified in Subsection 2.02 (c) of the Contract shall be the rate for Overrun of Maximum Storage Balance or Drafted Storage Balance under Unauthorized Overrun specified in Enbridge's Market Price Service Schedule (“MPSS”) or such other replacement rate schedule which may be applicable and as may be amended from time to time by Enbridge; and
- (g) The rates for Services hereunder shall be subject to any orders, rules and regulations of any body having jurisdiction over such rates now or hereafter in effect during the term of this Contract.

**Dated:** [Month day, year]