

2 - FT SERVICE SCHEDULE

ENBRIDGE GAS DISTRIBUTION INC.
FT SERVICE SCHEDULE
Rate 331 Service

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1 INTRODUCTION

- 1.1 The terms and symbols used herein that are set forth in Article 2 of the Defined Terms shall be construed to have the meaning described therein, unless otherwise defined in this Service Schedule.
- 1.2 The General Terms and Conditions are applicable to this Service Schedule and are hereby made a part hereof. If there is any conflict between the provisions of this Service Schedule and the General Terms and Conditions, the provisions of this Service Schedule shall prevail.

2 AVAILABILITY

- 2.1 Any Shipper will be eligible to receive Service pursuant to this Service Schedule if Shipper:
- (a) has entered into a Service Agreement with Transporter for Service pursuant to this Service Schedule, having a Term of at least Month; and
 - (b) has provided Transporter with adequate assurances that arrangements have been made whereby the Union Gas will receive and transport gas delivered by Transporter to Shipper, or for Shipper's account, at Dawn; and
 - (c) has provided Transporter with financial security if required by Transporter pursuant to Article 14 of the General Terms and Conditions.
- 2.2 Notwithstanding Section 2.1(a), in the event that Transporter determines (acting reasonably) that it requires Tecumseh Pipeline Expansion Facilities in order to provide Service pursuant to this Service Schedule, Transporter shall have the discretion (acting reasonably) to require that

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every corresponding Service Agreement has a Term of up to 10 Contract Years.

3 APPLICABILITY AND CHARACTER OF SERVICE

3.1 This Service Schedule applies to all Service provided by Transporter to Shipper pursuant to the Service Agreement referred to in Section 2.1(a).

3.2 Service under this Service Schedule on any Day consists of:

- (a) the receipt of gas from Shipper, or for Shipper's account, at Tecumseh according to Transporter's applicable Confirmation(s) for the Day, up to Shipper's Maximum Daily Volume;
- (b) the transportation of such gas on the Tecumseh Pipeline; and
- (c) the delivery of such gas to Shipper, or for Shipper's account, at Dawn according to Transporter's applicable Confirmation(s) for the Day, up to Shipper's Maximum Daily Volume.

3.3 Nominations shall be made, and may be changed or otherwise adjusted, in accordance with Article 9 of the General Terms and Conditions.

3.4 Service hereunder for any Shipper shall not be subject to suspension, except as provided in Section 3.3 or 6.3 of the General Terms and Conditions, or to curtailment or interruption, except as provided in Article 7 of the General Terms and Conditions.

4 CAPACITY ALLOCATION

4.1 Transporter shall allocate the amount of Tecumseh Pipeline Capacity that is or becomes available for FT Service by offering the corresponding amount of FT Service by means of an Open Season. Transporter will do so whether or not that amount of Tecumseh Pipeline Capacity would

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become available by virtue of Transporter constructing and operating any Tecumseh Pipeline Expansion Facilities.

4.2 Transporter shall allocate the amount of Tecumseh Pipeline Capacity that, after an Open Season is closed, remains available for FT Service in accordance with Article 2 of the General Terms and Conditions.

4.3 Transporter shall conduct any such Open Season in accordance with the terms and conditions prescribed by the OEB either in its STAR or otherwise.

5 ASSIGNMENT

5.1 Either party to a Service Agreement may assign its entire interest in the Service Agreement to any person in connection with an arrangement whereby such person acquires all or substantially all of the assigning party's property and other assets, if such an assignment is required to complete the arrangement, and such person shall thereby have the rights and obligations of the assigning party under the Service Agreement.

5.2 Either party to a Service Agreement may mortgage, pledge, or assign its entire interest in the Service Agreement to any person as security for its indebtedness, and such person shall thereby have the rights and obligations of the assigning party under the Service Agreement in accordance with the provisions of the mortgage, pledge, or assignment.

5.3 Shipper may assign all or part of its interest in a Service Agreement for all or part of the term of the Service Agreement to any person who complies, to Transporter's satisfaction (acting reasonably), with Article 14 of the General Terms and Conditions, and such person shall thereby succeed to the assigned rights and obligations of Shipper under the Service Agreement.

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- 5.4 Shipper may assign, upon notice to Transporter, all or part of Shipper's rights (service entitlement) for all or part of the Term of a Service Agreement, without the consent of Transporter, to any person if Shipper retains ultimate responsibility, vis-à-vis Transporter, for the performance of all of Shipper's obligations under the Service Agreement.
- 5.5 An assignment by Shipper may only involve the assignee receiving Service during any Month at a premium or a discount from Transporter's applicable tolls if Transporter continues to receive full payment of Transporter's applicable tolls.
- 5.6 Except as provided in this Article 5, neither party to the Service Agreement may assign all or part of its interest in the Service Agreement without the consent of the other party, which consent shall not be unreasonably withheld.

6 RENEWAL RIGHT

- 6.1 Shipper has the right (the "Renewal Right") of extending the existing Service Termination Date for a period of at least 12 Months (the "Renewal Term") and maintaining or reducing the existing Maximum Daily Volume during the Renewal Term if all of the following conditions are met:
- (a) Shipper's Service Agreement has a Service Termination Date that would occur at least 12 Months subsequent to its Service Availability Date;
 - (b) Transporter receives a notice from Shipper electing to exercise the Renewal Right and setting out the extended Service Termination Date and the applicable Maximum Daily Volume (the "Renewal Provisions") no less than six months before the existing Service Termination Date; and

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(c) Shipper supplies Transporter at the time of such notice with evidence satisfactory to Transporter (acting reasonably) that Shipper will be able to meet the availability provisions of Article 2 in respect of the Renewal Provisions prior to the commencement of the Renewal Term.

6.2 If Transporter receives a timely notice from Shipper electing to exercise the Renewal Right, and if Shipper meets the availability provisions of Article 2 in respect of the Renewal Provisions, Transporter will prepare a superseding Service Index for the Service Agreement that will be effective as of the commencement of the Renewal Term and in which the Maximum Daily Quantity and the Service Termination Date will be as specified in the Renewal Provisions.