

SGT Toll Schedule
Storage Gas Transportation

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1. INTRODUCTION

1.1 Énergir, L.P. (herein called "Énergir ") has entered into a storage gas transportation contract with Trans Québec & Maritimes Pipeline Inc. (herein called "Company").

1.2 This Toll Schedule is available for the transportation of storage gas from the receipt points to the delivery points.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The Storage Gas Transportation service will be billed pursuant to Article 3 hereof.

2.2 Gas delivered by Company to Énergir under this Toll Schedule shall not be subject to curtailment or interruption except as provided in Subsection 2.3 hereof and in Article 9 - Force Majeure of the Other Services GT&C.

2.3 (a) At any time during the year, Énergir may request Company to receive at the receipt points a volume of gas ' V_t ', for transportation to the delivery points, and shall cause this volume to be delivered to Company. Company shall deliver to Énergir at the delivery points, and in accordance with the nominations made by Énergir, a corresponding volume of gas ' V_l ', calculated as follows:

$$V_l = V_t \times \frac{PCS_t}{PCS_l}$$

Where: ' V_l ' is the volume of gas to be delivered by Company to Énergir at the delivery points;

' V_t ' is the volume of gas received from Énergir by Company at the receipt points;

'PCS_i' is the gross heating value per cubic metre (MJ/m³), of the gas delivered by Company at delivery points; and

'PCS_t' is the gross heating value per cubic metre (MJ/m³), of the gas delivered by Énergir to Company at the receipt points.

PROVIDED THAT, Company will not be obligated at any time to accept to deliver at the delivery points a volume of gas 'V_i' greater than the volume of gas received by Company at the receipt points; ALSO, Company shall not be obligated at any time to receive at the receipt points a volume of gas "V_t" greater than the total volume of gas delivered to Énergir at the delivery points.

(b) Énergir shall cause deliveries to Company at the receipt points, to be at a pressure sufficient for those deliveries to be made; PROVIDED THAT, the said pressure shall never exceed 7 000 kPa.

2.4 Any volume of gas withdrawn by Énergir from the storage facilities and delivered to Company at the receipt points, and for which Company is notified on a daily basis, shall constitute the volume authorized by Company, except as provided in Subsection 2.3 hereof and in Article 9 - Force Majeure of the Other Services GT&C; PROVIDED HOWEVER, that Company will agree to any modification made by Énergir to that authorized volume except if Company, beforehand and at its sole discretion, notifies Énergir to the contrary.

2.5 The daily volume of gas shall be taken at rates of flow as nearly constant as possible. Departures from scheduled daily deliveries due to the inability of Company or Énergir to maintain precise control shall be kept to the minimum permitted by operating conditions.

2.6 Determination of daily deliveries to delivery points is provided in Article 11 of the Other Services GT&C.

3. TOLLS AND CHARGES

- 3.1** The applicable toll for service hereunder is as set out in the List of Tolls under the heading “SGT – Storage Gas Transportation.”
- 3.2** The monthly bill for deliveries for service hereunder shall be equal to the sum of (1) the transportation charge for the billing months, calculated by multiplying the commodity toll set forth in the List of Tolls by the gas volume effectively received from Énergir and transported by Company as provided hereunder and (2) the Abandonment Charge for the billing months, calculated by multiplying the Daily Abandonment Surcharge by the gas volume effectively received from Énergir and transported by Company as provided hereunder.

Each month, the gas volume effectively received from Énergir at the Pointe-du-Lac receipt point and transported by Company to the Trois-Rivières delivery point is equal to the sum of daily volumes received at the Pointe-du-Lac receipt point which are less or equal to the corresponding daily deliveries at the Trois-Rivières delivery point.

Each month, the gas volume effectively received from Énergir at the Pointe-du-Lac receipt point and transported by Company to delivery points downstream of the Trois-Rivières delivery point is equal to the sum of daily volumes received at the Pointe-du-Lac receipt point which exceed the corresponding daily deliveries at the Trois-Rivières delivery point.

Each month, the gas volume effectively received from Énergir at the Saint-Nicolas receipt point and transported by Company to delivery points upstream of the Saint-Nicolas delivery point is equal to the sum of daily volumes received at the Saint-Nicolas receipt point which exceed the corresponding daily deliveries at the Saint-Nicolas delivery point.

The commodity toll is calculated on the basis of the total revenue requirement of Company, as authorized by the CER or pursuant to the methodology applicable, by dividing this revenue requirement by the volume-distance of all gas to be delivered by Company during the test year and by multiplying the result by the effective transportation distance for service hereunder:

$$t = \left(\left(\frac{BR}{VD_R} \right) \times D \right)$$

Where: 't' is the commodity toll in $\$/10^3\text{m}^3$.

'BR' is the total annual revenue requirement of Company, as authorized by the CER or pursuant to the methodology applicable.

'VD_R' is the total "volume-distance" in $10^3\text{m}^3\text{-km}$ of Company's pipeline system, calculated as follows:

$$VD_R = V_R \times CC_R$$

'D' is the transportation distance of the gas pursuant to the SGT contract, defined in Articles 3.3, 3.4 and 3.6 below.

'V_R' is the total volume of gas to be delivered by Company during the test year.

'CC_R' is the load centre in km of Company's pipeline system, calculated for the volumes of gas to be delivered during the test year.

3.3 For volumes received from the Pointe-du-Lac receipt point and delivered to the Trois-Rivières delivery point, the transportation distance 'D' of the gas pursuant to the SGT contract is 14.2 km.

- 3.4** For daily volumes received from the Pointe-du-Lac receipt point exceeding the total daily deliveries at the Trois-Rivières delivery point, the transportation distance 'D' of the gas pursuant to the SGT contract, shall be equal to the distance between the Pointe-du-Lac receipt point and the load centre of Company's delivery points downstream of this receipt point, excluding the Trois-Rivières delivery point. This load centre in km shall be calculated for the volumes to be delivered at each of these delivery points during the test year.
- 3.5** Any volume of gas received during any day from the Pointe-du-Lac receipt point, which exceeds the total deliveries at the Trois-Rivières delivery point and which, at the sole discretion of Company, is designated to be related to an emergency situation, shall be charged at the commodity toll set forth in the List of Tolls and calculated by using the distance 'D' defined in Subsection 3.3.
- 3.6** For daily volumes received from the Saint-Nicolas receipt point exceeding the total daily deliveries at the Saint-Nicolas delivery point, the transportation distance 'D' of the gas pursuant to the SGT contract, shall be equal the distance between the Saint-Nicolas receipt point and the load centre of Company's delivery points upstream of this receipt point, excluding the Saint-Maurice delivery point and delivery points located upstream of Saint-Maurice. This load centre in km shall be calculated for the volumes to be delivered at each of these delivery points during the test year.
- 3.7** The minimum annual bill for the transportation of volumes received at Pointe-du-Lac shall be equal to the commodity toll set forth in the List of Tolls, calculated pursuant to the distance 'D', defined in Subsection 3.3, multiplied by $38\,698.3 \times 10^3 \text{m}^3$ (average of the total volume of gas received from Énergir and transported for service hereunder in 1992, 1993 and 1994). When the minimum bill exceeds the transportation charges invoiced for a year, this excess shall be added to the last invoice of that year.

4. UNAUTHORIZED OVERRUN GAS

The sum of all volumes authorized for delivery by Company on any day in the same delivery area under this Toll Schedule shall constitute the total authorized volume. Gas taken by Énergir in a delivery area in excess of 102% of the total authorized volume on any day will be considered as unauthorized overrun. For any unauthorized overrun volume on any such day between 102% and 104% of the total authorized volume, Énergir shall pay a charge of \$175.00/10³m³ in addition to all charges payable pursuant to Subsection 3.2 herein. For any unauthorized overrun volume on any such day exceeding 104% of the total authorized volume, Énergir shall pay a charge of \$525.00/10³m³ in addition to all charges payable pursuant to Subsection 3.2 herein. Such additional charges payable are in addition to all charges otherwise payable by Énergir. The payment for an unauthorized overrun volume shall not, under any circumstances, be considered as giving Énergir the right to take such deliveries and be considered as a substitute for any other remedies available to Company.

5. QUALITY

Company may refuse to receive, for service hereunder, gas from Énergir which fails to conform to any of the specifications set forth in Article 2 - Quality of the Other Services GT&C.

6. GENERAL TERMS AND CONDITIONS

The Other Services GT&C and the List of Tolls apply to this Toll Schedule and are by reference made part hereof.

7. APPROVAL BY THE CER

This Toll Schedule, the Other Services GT&C, and the List of Tolls are subject to the approval of the CER.