

BGT2 Toll Schedule
BIOGAS 2 Transportation

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1. DEFINITIONS

- 1.1** The capitalized terms used in this Toll Schedule have the meaning attributed to them in the Other Services GT&C of the tariff or the Biogas 2 Transportation Gas Service Contract unless otherwise defined in this Toll Schedule.
- 1.2** BGT2 Contract – Biogas 2 Transportation Gas Service Contract. (Contrat TBG2)

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1** This BGT2 Toll Schedule is available, for receipt and transportation of Refined Biogas up to the Contract Demand between specified receipt point(s) and delivery point(s) to any Customer that has executed a BGT2 Contract with Company.
- 2.2** Gas delivered by Company for Customer under this Toll Schedule shall not be subject to curtailment or interruption except as provided in Subsection 2.4 hereof and in Article 9 – Force Majeure of the Other Services GT&C.
- 2.3** (a) At any time during the year, Customer may request Company to receive at the Receipt Point(s) a volume of Refined Biogas, for transportation to the Delivery Point(s), and shall cause this volume to be delivered to Company. Company shall deliver for Customer at the Delivery Point(s), and in accordance with the nominations made by Customer, a corresponding volume of gas, 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 for Customer at the Delivery Point(s);
- 'V_t' is the volume of Refined Biogas received from Customer by Company at the Receipt Point(s);
- 'PCS_l' is the gross heating value expressed in MJ/m³, of the gas delivered by Company at the Delivery Point(s); and

'PCS_t' is the gross heating value expressed in MJ/m³, of the Refined Biogas delivered by Customer to Company at the Receipt Point(s).

PROVIDED THAT, Company will not be obligated at any time to accept to deliver at the Delivery Point(s) a volume of gas 'V_l' greater than the volume of Refined Biogas received by Company at the Receipt Point(s); ALSO, Company shall not be obligated at any time to receive at the Receipt Point(s) a volume of Refined Biogas "V_t" greater than the total volume of gas delivered for Customer at the Delivery Point(s).

(b) Customer shall cause deliveries to Company at the Receipt Point(s), to be at a pressure sufficient for those deliveries to be made; PROVIDED THAT, the said pressure shall never exceed 7 067 kPa, unless otherwise specified in Customer's BGT2 Contract.

2.4 Any volume of Refined Biogas delivered to Company at the Receipt Point(s), 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 Customer to that authorized volume except if Company, beforehand and at its sole discretion, notifies Customer to the contrary.

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

2.6 Determination of daily deliveries to Delivery Point(s) 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 "BGT2 – Biogas 2 Transportation."

3.2 The monthly bill for service hereunder shall be equal to the sum of: (1) the transportation charge for the billing month, calculated by multiplying the applicable monthly demand toll set

forth in the List of Tolls by Customer's Contract Demand; and (2) the Abandonment Charge for the billing month, calculated by multiplying the applicable Monthly Abandonment Surcharge set forth in the List of Tolls by Customer's Contract Demand.

The monthly demand 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, multiplying the result by the effective transportation distance for service hereunder, and by multiplying that result by the number of days in the test year and dividing by 12:

$$t = \left(\left(\frac{BR}{VDR} \right) \times D \right) \times \frac{Y_d}{12}$$

Where:

- 't' is the monthly demand 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.
- 'VDR' is the total "volume-distance" in $10^3\text{m}^3\text{-km}$ of Company's pipeline system, calculated as follows:
$$VDR = (VR \times CCR)$$
- 'D' is the transportation distance between the Receipt Point(s) and Delivery Point(s) pursuant to the BGT2 Contract.
- 'VR' is the total volume of gas to be delivered by Company during the test year.
- 'CCR' is the load centre in km of Company's pipeline system, calculated for the volumes of gas to be delivered during the test year.
- 'Y_d' is the number of days in the test year.

3.3 Any volume of Refined Biogas received during any day from the Receipt Point(s), which exceeds the total deliveries and which, at the sole discretion of Company, is designated to be related to an emergency situation, shall be charged at the applicable Daily Equivalent of the monthly demand toll and the applicable Daily Equivalent of the Monthly Abandonment Surcharge set forth in the List of Tolls.

3.4 (a) The minimum annual bill for the transportation of Refined Biogas volumes shall be equal to the annual toll calculated on the basis of the total cost of the facilities required by Company pursuant to the BGT2 Contract, as approved by the CER and amortized over a period of years equivalent to the term of the said BGT2 Contract, at an interest rate equal to the overall rate of return on rate base of Company. This toll shall be adjusted from year to year pursuant to the rate of return on rate base reflected in the tolls of the Company approved by the CER. When the minimum annual bill exceeds the transportation charges invoiced for a year, this excess shall be added to the last invoice of that year. However, in the event of Company being rendered unable to perform its obligations to receive the Refined Biogas, the said excess will be adjusted by the monetary value of the daily volume which would be otherwise transported by Company for Customer.

(b) Amendments to the minimum annual bill will be made if there are upgrades or additions to the facilities that are required based on changes to regulatory or legal requirements or changes to the gas quality specifications and/or BNQ Standard. If the Customer does not want to pay the increased minimum annual bill, Customer may immediately terminate the BGT2 Contract and will be required to immediately pay the sum of the remaining minimum annual bills applicable to the remainder of the term of the BGT2 Contract on an undiscounted basis.

4. UNAUTHORIZED OVERRUN GAS

The sum of all volumes authorized for receipt by Company on any day under this Toll Schedule shall be a maximum of the Contract Demand outlined in Article II of the BGT2 Contract. Refined Biogas received from Customer in excess of 102% of the Contract Demand on any day will be considered as unauthorized overrun. For any unauthorized overrun volume on any such day Customer shall pay in

addition to all charges payable pursuant to Article 3 hereof for any unauthorized volume:

- a) greater than 102% up to and including 104% of the Contract Demand, a charge of \$175.00/10³m³; and
- b) greater than 104% of the Contract Demand, a charge of \$525.00/10³m³

Such additional charges payable are in addition to all charges otherwise payable by Customer. The payment for an unauthorized overrun volume shall not, under any circumstances, be considered as giving Customer the right to deliver such volumes to Company and be considered as a substitute for any other remedies available to Company.

5. QUALITY

- 5.1** Refined Biogas delivered by Customer to Company at a Receipt Point(s) shall be subject to the BNQ Standard.
- 5.2** Company may refuse to receive, for service hereunder, Refined Biogas from Customer which fails to conform to any of the specifications set forth in Subsection 5.1 and Article 2 – Quality of the Other Services GT&C.

6. ASSIGNMENT

- 6.1** Company may assign the BGT2 Contract without the consent of Customer. Customer may assign the BGT2 Contract provided Company has given its prior written consent, which consent shall not be unreasonably withheld. Notwithstanding the foregoing Company may refuse to provide its consent if Company determines in its sole discretion the assignee is not or may not be creditworthy.

7. RENEWAL RIGHTS

- 7.1** Pursuant to the BGT2 Contract Customer may, subject to Subsection 7.2, extend the existing Term of the BGT2 Contract for all or a portion of the Contract Demand for annual periods consisting of twelve (12) consecutive full months by providing Company with no less than twenty-four (24) months prior written notice for each annual renewal.
- 7.2** If at any time Company determines, acting reasonably, that new or additional pipeline facilities are required Company will provide notice of a term-up requirement (“Term-up

Notice”) to Customer if Company determines Customer’s BGT2 Contract may impact the design of such new or additional facilities.

Upon receipt of the Term-up Notice Customer may elect within sixty (60) days of receipt of the Term-up Notice, to extend the existing Term of the BGT2 Contract for all or a portion of the Contract Demand for an additional period such that the new termination date of the BGT2 Contract shall be no less than five (5) years after the expected Date of Commencement of such new or additional facilities. If a Customer does not elect to extend its existing Term within such (60) day period, the Customer shall no longer be entitled to renew the BGT2 Contract pursuant to Subsection 7.1 and the BGT2 Contract shall expire at the end of the existing Term.

8. 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.