

CONTRACTING PARTY'S AGREEMENT ("CPA") WITH NATURAL GAS EXCHANGE ("NGX")

**NOTICE OF AMENDMENTS TO CPA SCHEDULES RELATING
TO REVISED TRANSACTION FEES AND ADDITIONAL PRODUCTS**

(NOTICE DATE: January 24, 2006)

This notice is to provide you with notification, pursuant to the terms of the CPA, of amendments to the CPA (the "CPA Schedule Revisions") relating to a change in the Transaction Fees for natural gas swap transactions and the addition of a new product, which revisions shall become effective on January 25, 2006.

The following chart summarizes the CPA Schedule Revisions. For additional details and the specific text of the CPA Schedule Revisions, please link to the schedules through the page numbers shown below.

SCHEDULE	PAGE	AMENDED SECTIONS	FEE CHANGE / PRODUCT DETAILS
SCHEDULE A - FEE SCHEDULE	A-1	Change to "Transactions entered into Saturday, Sunday and non-Business Days: Transaction Fees per GJ: AECO/NGX Intra-Alberta - Same Day Index Instruments"	Reduced from CDN \$0.0025 per GJ to CDN \$0.001 per GJ
		Addition of Atco Hubs to "Transaction Fees per GJ: Empress Hub, Empress Transport, Station #2 and TEP Hubs for All Instruments"	CDN \$0.001 for all Instruments for all Business and non-Business Days
		Change to "Transaction Fees - Option Transactions - Alberta - Fixed Swap Put and Call Options, per GJ"	Reduced from CDN \$0.00050 per GJ to CDN \$0.00025 per GJ
SCHEDULE G - INTRA-ALBERTA HUB	G-1	Addition to "Physical Markets" table	Daily Index 5A US
	G-3	Additions to clause 5(b) "Intra-Alberta Standardized Terms And Conditions"	Daily Index 5A US
	G-7	Addition to clause 15 "Invoice Amounts"	Daily Index 5A US
	G-9	Addition of definitions to clause 16 "Interpretation"	Daily Index 5A US

SCHEDULE "A" - FEE SCHEDULE

	Fees
Subscription Fee per month - Contracting Party	\$1,500
Subscription Fee per month - Contracting Party Affiliate, netted account	\$350
Subscription Fee per month - Contracting Party Affiliate, non-netted account	\$1,500
Transaction Fees - Physical Transactions	
Transactions entered into on Business Days	
Transaction Fees per GJ: AECO/NGX Intra-Alberta and Ateco North Hub	
Yesterday Fixed Price Instrument	\$0.0025
Same Day Fixed Price Instrument	NIL
All other instruments	\$0.001
Transactions entered into Saturday, Sunday and non-Business Days	
Transaction Fees per GJ: AECO/NGX Intra-Alberta and Ateco North Hub	
Yesterday Fixed Price Instrument	\$0.0025
Same Day Fixed Price Instrument	\$0.0025
Same Day Index Instrument	\$0.0025
All other instruments	<u>\$0.001</u>
	\$0.001
Transaction Fees per GJ: Empress Hub, Empress Transport, Station #22, <u>Atco</u> and TEP Hubs for All Instruments	\$0.001
Transaction Fees per MMBtu:	
Intra-Alberta Hub for all Basis Instruments	\$0.00075 (U.S. Dollar)
Transaction Fees per MMBtu: Union Dawn, Union Parkway, Huntingdon Hubs and Eastern Canada for All Instruments	\$0.00075 (U.S. Dollar)
Transaction Fees per MMBtu: Mid-Continent Hubs for All Instruments	\$0.00075 (U.S. Dollar)
Transaction Fees per MMBtu: U.S. West Hubs for all Instruments	\$0.00075 (U.S. Dollar)
Transaction Fees - Swap Transactions	
AECO Fixed for Floating - per GJ	\$0.00025
AECO Basis, Sumas, Chicago, Henry (future), MichCon, Rocky, Malin, PG&E Citygate, Socal - per MMBtu	\$0.00025 (U.S. Dollar)
Alberta Electricity - per MWh	\$0.03
Mid-C Electricity - per MWh	\$0.03 (U.S. Dollar)
Transaction Fees - Transport and Calendar Spread Transactions	(As above, charged on one side only)
Transaction Fees - Option Transactions	\$0.0005 <u>0.00025</u>
Alberta – Fixed Swap Put and Call Options, per GJ	\$0.0005 <u>0.00025</u>
Name change for all positions of Contracting Party	no charge
Assignments for some or all positions of Contracting Party	fees as above
Additional User Ids per month	to be negotiated
Third Party Index Fees	added to the transaction fees at cost
Trader Workstation leased from Exchange	to be negotiated
Communication and Network Connection Fee	to be negotiated
Installation	to be negotiated

Transaction Fees will be incurred at the time of entering into the Physical Transaction, Swap Transaction or Option Transaction.

Fees for Hubs located in Canada are subject to GST.

(January ~~1~~24, 2006)

SCHEDULE "G" - INTRA-ALBERTA HUB

PHYSICAL MARKETS	TRADING SYSTEM MNEMONIC	PURCHASE PRICE		CONTRACT QUANTITY	
		UNITS	INCREMENTS	UNITS	INCREMENTS
AECO/NGX Intra-Alberta	IA	\$C/GJ	\$C 0.0001	GJ	0.1 TJ
Daily Index 2A	2A	\$C/GJ	\$C 0.0001	GJ	0.1 TJ
Daily Index 4A	4A	\$C/GJ	\$C 0.0001	GJ	0.1 TJ
Daily Index 5A	5A	\$C/GJ	\$C 0.0001	GJ	0.1 TJ
Basis Alberta	BA	\$US/MMBTU	\$US 0.0001	BBTU	0.1 BBTU
Intra-Alberta US\$	AU	\$US/MMBTU	\$US 0.0001	BBTU	0.1 BBTU
Daily Index 5A US	5U	\$US/MMBTU	\$US 0.0001	BBTU	0.1 BBTU
AECO - Dawn Basis Spread	AD	\$US/MMBTU	\$US 0.0001	BBTU	0.1 BBTU

[\(January 24, 2006\)](#)

1. INSTRUMENT AVAILABILITY

Physical Transactions in respect of the Physical Instruments may be entered into up to such times on such Trading Days as is stipulated by Exchange through the Trading System to the Contracting Parties from time to time. Exchange may not list every Physical Instrument shown on Schedule "F".

2. WEEKLY SETTLED INSTRUMENTS

Not available at the Intra-Alberta Hub.

(June 23, 2005)

3. BASIS SPREAD - INTRA-ALBERTA TO UNION DAWN

The Basis Spread Instrument allows Buyers and Sellers to transact simultaneously at the Intra-Alberta Hub and the Union Dawn Hub by electronically negotiating an acceptable Daily Contract Quantity and Transport Price.

- a. The Buyer of the Basis Spread Instrument will be the Buyer of a Union Dawn Basis Transaction for purchase of the Contract Quantity at the Union Dawn Hub; and will be the Seller of an Intra-Alberta Basis Transaction for the sale of the Contract Quantity at the Intra-Alberta Hub;
- b. The Seller of the Basis Spread will be the Seller of a Union Dawn Basis Transaction for the sale of the Contract Quantity at the Union Dawn Hub; and will be the Buyer of an Intra-Alberta Basis Transaction for the purchase of the Contract Quantity at the Intra-Alberta Hub;
- c. A force majeure event at the Union Dawn Hub will reduce the Obligations of Exchange and Contracting Party under the Union Dawn Transactions pursuant to Schedule "I" but will not change the Obligations of Exchange and the Contracting Party under the Intra-Alberta Basis Transactions;
- d. A force majeure event at the Intra-Alberta Hub will reduce the Obligations of Exchange and the Contracting Party under the Physical Transactions pursuant to Schedule "G" but will not change the Obligations of Exchange and the Contracting Party under the Union Dawn Basis Transactions;
- e. The Purchase Price for the Intra-Alberta Basis Transaction will be the most recently transacted Purchase Price, or in the absence of a current Trading Day transaction, the Settlement Price for the previous Trading Day in the respective Intra-Alberta Basis Instrument;

- f. The Purchase Price for the Union Dawn Basis Transaction will be the most recently transacted Purchase Price, or in the absence of a current Trading Day transaction, the Settlement Price for the previous Trading Day in the respective Intra-Alberta Basis Instrument plus the Transport Price;
- g. All other Obligations will be as outlined in "Schedule "I" - Union Dawn and Union Parkway Hubs" and "Schedule "G" - Intra-Alberta Hub" herein.

(June 23 2005)

4. RELATIONSHIP TO AGREEMENT

Nothing in this Schedule "G" will impair the obligations or rights of Exchange or the rights or obligations of the Contracting Party pursuant to the Agreement. Any Contracting Party which is a party to a Physical Transaction entered into at the Intra-Alberta Hubs hereby agrees that any such Physical Transaction includes the provisions of this Schedule "G" and is subject to the terms of the Agreement.

(June 23, 2005)

5. INTRA-ALBERTA STANDARDIZED TERMS AND CONDITIONS

The forms of Physical Instruments have standard terms and conditions except in respect of:

- a. For all AECO/NGX Intra-Alberta, Daily Index 2A, Daily Index 4A and Daily Index 5A Instruments:
 - i. quantities, which will be measured in Terajoules bought and sold in:
 - A. increments of one-tenth (0.1) of one Terajoule;
 - B. minimum order of one (1.0) Terajoule for all Instruments other than the Yesterday Instrument (YD);
 - C. minimum order of one-tenth (0.1) Terajoule for the Yesterday Instrument; and
 - D. will represent the Daily Contract Quantity for Fixed Price Physical Transactions and Index Physical Transactions;
 - ii. prices, which will be in increments of \$0.0001 per GJ and will represent the Purchase Price for Fixed Price Physical Transactions; and
 - iii. prices, which will be in increments of \$0.0001 per GJ and will represent the plus or minus differential from the applicable Daily Index 2A Price, thereby establishing the formula for the calculation of the Purchase Price for Daily Index 2A Physical Transactions; and
 - iv. prices, which will be in increments of \$0.0001 per GJ and will represent the plus or minus differential from the Daily Index 4A Price, thereby establishing the formula for the calculation of the Purchase Price for the Daily Index 4A Physical Transactions; and
 - v. prices, which will be in increments of \$0.0001 per GJ and will represent the plus or minus differential from the applicable Daily Index 5A Price, thereby establishing the formula for the calculation of the Purchase Price for the Daily Index 5A Physical Transactions; and
 - vi. prices, which will be in increments of \$0.0001 per GJ and will represent the plus or minus differential from the applicable One-Month Spot Index Price, thereby establishing the formula for the calculation of the Purchase Price for One-Month Spot Index Physical Transactions (Month 1

through Month 12 Instruments, Quarter 1 through Quarter 4 Instruments, all Summer Block and Winter Block Instruments, and all Year and Calendar Year Instruments).

- b. For all Basis Alberta ~~and~~, Intra-Alberta U.S.\$ and Daily Index 5A US Instruments:
- i. quantities, which will be measured in BBTU bought and sold in:
 - A. increments of one-tenth (0.1) of one BBTU;
 - B. minimum order of one BBTU;
 - C. will represent the Daily Contract Quantity for Basis Physical Transactions;
 - D. all gas delivered under Basis Physical Transactions will be nominated to TCPL in GJs, converted at 1.0 MMBTU = 1.055056 GJ, as required in the TCPL Terms and Conditions;
 - ii. prices, which will be in increments of U.S. \$0.0001 per MMBtu and will represent the Purchase Price for Intra-Alberta US\$ Contracts;
 - iii. prices, which will be in increments of US \$0.0001 per MMBtu and will represent the plus or minus differential from the applicable Daily Index 5A US Price, thereby establishing the formula for the calculation of the Purchase Price for the Daily Index 5A US Physical Transactions; and
 - iv. ~~iii.~~ prices, which will be in increments of U.S. \$0.0001 per MMBTU and will represent the plus or minus differential from the applicable Henry Futures Settlement Price for such Basis Alberta Physical Transactions for deliveries made under any Basis Alberta Physical Transactions, thereby establishing the formula for the calculation of the Purchase Price for Basis Alberta Physical Transactions.

(June 23, 2005)

(January 24, 2006)

6. **PRE-DELIVERY PROCEDURE**

- a. Notice of Deliveries - At any time prior to delivery, Exchange may give notification to the Contracting Party of total Daily Contract Quantities due for receipt or delivery, and may request verification from the Contracting Party that the Contracting Party has an active Title Transfer account with TCPL for services at the Intra-Alberta Hub, which is in good standing.
- b. Verification of Deliveries - Within 24 hours of any such request, the Contracting Party will verify its capacity to take or deliver the Daily Contract Quantities for each Delivery Day.
- c. Remedial Actions by Contracting Party - In the event that the Contracting Party does not verify its capacity to take or deliver the total Daily Contract Quantities for any Delivery Day in accordance with paragraph b., the Contracting Party shall continue to be entitled to complete such verifications or to enter into a Physical Transaction to offset its delivery or receipt obligations until 15:00 on the second Business Day prior to any such Delivery Day.
- d. Remedial Actions by Exchange - After 15:00 on the second last Business Day prior to such Delivery Day if verifications in accordance with paragraph b. are not given by the Contracting Party, the orders of the Contracting Party which the Contracting Party has entered for the purchase or sale of gas may be eliminated and Exchange may enter into Physical Transactions to offset delivery or receipt obligations,

which in the opinion of Exchange may not be performed, in accordance with the Liquidation Procedure as provided in Section 5.5 of this Agreement.

7. DELIVERY PROCEDURES

On each day before 11:00 CCT, Exchange will submit Title Transfer nominations for the take or delivery of the Daily Contract Quantity for all Intra-Alberta Yesterday Contracts. Exchange will for each Contracting Party, sum all of the DCQ's for delivery and sum all of the DCQ's for receipt in the Intra-Alberta Yesterday Contracts and Exchange will submit a Title Transfer for all deliveries and receipts in GJs with a unique package number, Contracting Party mnemonic and with a start and end date of yesterday; and

At the end of each day, Exchange will submit a Title Transfer to TCPL for the delivery or receipt of gas under all Physical Transactions at the Intra-Alberta Hub as follows:

- i. for all Same Day Contracts - Exchange will for each Contracting Party, sum all of the DCQ's for delivery and sum all of the DCQ's for receipt in the Same Day Contracts. Exchange will submit a Title Transfer for all deliveries and receipts in GJs with a unique package number, Contracting Party mnemonic and with a start and end date of today;
- ii. for all other Physical Transactions - Exchange will for each Contracting Party sum all of the DCQ's for delivery tomorrow and sum all of the DCQs for receipt tomorrow in the Fixed Price, Basis and Index Physical Transactions. Exchange will submit Title Transfer for all deliveries and receipts in GJs with a unique package number, Contracting Party mnemonic with a start and an end date of tomorrow.

8. PERFORMANCE OF THE PHYSICAL CONTRACTS

The Physical Transactions at the Intra-Alberta Hub will be performed as follows:

By the Contracting Party:

- i. upon the acceptance of the Inventory Transfer Nomination by TCPL for the total Daily Contract Quantities of gas nominated for delivery or receipt; and
- ii. by the payment to Exchange of the Invoice amounts for the Physical Transactions at the Intra-Alberta Hub.

By Exchange:

- i. upon the acceptance of the Inventory Transfer Nomination by TCPL for the total Daily Contract Quantities of gas nominated for delivery or receipt; and
- ii. by the payment to the Contracting Party of the Invoice amounts for the Physical Transactions at the Intra-Alberta Hub.

9. PROCEDURES ON FAILURE OF PERFORMANCE

a. Rejection of Title Transfer - In the event that TCPL notifies Exchange that TCPL will not transfer gas from or into a Contracting Party's TCPL account, Exchange will be entitled to initiate the following procedure:

- i. Exchange will notify the Contracting Party by phone that a Title Transfer has been rejected by TCPL indicating the quantity affected and initiating a 60 minute period to allow resolution by the Contracting Party, followed by a fax confirming the details and the time notice was given;

- ii. if no confirmable solution is forthcoming from the Contracting Party within the 60 minute period, then Exchange will give notice by phone, confirmed by fax, to the Contracting Party that there is a Failure to Deliver or a Failure to Take indicating quantity affected; and
- iii. Exchange may exercise any of the rights under Section 5.5 of the Agreement.

10. TITLE

- a. From Seller - Title to and risk of loss of gas delivered under any Physical Transaction shall pass from the Seller during delivery at the receipt point specified in any Physical Transaction.
- b. To Buyer - Title to and risk of loss of gas delivered under any Physical Transaction shall pass to the Buyer during delivery at the receipt point specified in any Physical Transaction.
- c. Regarding Exchange - In no event should this Agreement be construed in a manner whereby title to and risk of loss of gas delivered under any Physical Transaction shall:
 - i. pass to Exchange, as Buyer, except as required by the TCPL Terms and Conditions to facilitate any Title Transfer from Exchange to Seller, which in such case shall be deemed to occur concurrently; or
 - ii. be held by Exchange, as Seller, except as required by the TCPL Terms and Conditions to facilitate any Title Transfer from Exchange to Buyer, which in such case shall be deemed to occur concurrently.

11. REPRESENTATIONS AND WARRANTIES OF THE CONTRACTING PARTY

The Contracting Party represents and warrants in respect of any Physical Transaction entered into by such Contracting Party that at the time of delivery or receipt:

- a. If the Seller -
 - i. it has the full right and authority to sell gas; and
 - ii. it owns and has title to gas, or irrevocable authority to sell gas;
 - iii. gas delivered to the Buyer shall be free from all royalty payments, Liens or encumbrances whatsoever; and
 - iv. has a TCPL account in good standing with sufficient inventory to deliver the total DCQ sold on a firm basis under its Physical Transactions for each Gas Day.
- b. If the Buyer -
 - i. it has the full right and authority to purchase gas; and
 - ii. it has a TCPL account in good standing with sufficient capacity to take the total DCQ purchased on a firm basis under its Physical Transactions for each Gas Day.

12. LIABILITY

- a. Full Satisfaction - Upon payment, in accordance with the Agreement, of the amounts required to be paid by Exchange or the Contracting Party, as the case may be, in respect of any Failure to Deliver, Failure to Pay or Failure to Take in respect of such Physical Transaction, Exchange or such party to a Physical

Transaction shall have no further liability under such Physical Transaction or the Agreement in respect of any such Failure to Deliver, Failure to Pay or Failure to Take.

- b. No Indirect Damages - Other than as specifically set forth in the Agreement, in no event shall Exchange or the Contracting Party be liable under the Agreement or any Physical Transaction for any special, consequential or indirect damages or claims, including without limitation, loss of profits or revenues, cost of capital or claims of any of the suppliers or customers of the Contracting Party arising out of any Failure to Deliver, Failure to Take or Failure to Pay or any other matter for which liability may be assessed under the Agreement or any Physical Transaction.

13. FORCE MAJEURE

- a. Definition - A force majeure event will exist in the event:
 - i. of a declared force majeure by TCPL; or
 - ii. that TCPL has caused a curtailment of the volume of gas which may be accepted by TCPL for delivery on the TCPL Alberta System,

which has the result of reducing the volume of gas which may be accepted by TCPL for delivery to the TCPL Alberta System by 25% or more, using as 100% of such volume for the winter gas season from November 1 to April 30 the winter system maximum day delivery volume forecast as published in table 3.4.2.1 of TCPL's Nova Gas Transmission Ltd. Annual Plan (12.10 bcf/d for 2002/2003) and using as 100% of such volume for the summer gas season from May 1 to October 31 the summer system maximum day delivery volume forecast as published in table 3.4.2.2 of TCPL's Nova Gas Transmission Ltd. Annual Plan (11.15 bcf/d for 2002/2003); and reducing by 25% or more the aggregate of all obligations under Physical Transactions for all Contracting Parties which can be delivered or received; or

- iii. TCPL has interrupted, curtailed or pro-rated inventory transfer service which affects all TCPL Alberta System shippers who have nominated for deliveries or receipts to take place by inventory transfer service.
- b. Consequences - Upon the occurrence of a force majeure event, Exchange would determine the extent to which deliveries of gas could be made and receipts could be taken and will allocate the available quantities of gas at the Intra-Alberta Hub to the available demand at the Intra-Alberta Hub on a pro rata basis and compliance by any Buyer or any Seller with such pro rationing will not constitute a Failure to Deliver, Failure to Take or Failure to Pay. Certain Physical Instruments affected by any force majeure event will be halted from trading on the Trading System. Exchange will eliminate or reduce the obligations of the Contracting Party under the Physical Transactions by an adjustment to the reports to reflect the consequences of the force majeure event.

14. PROCEDURES ON FORCE MAJEURE EVENT

- a. Investigation - Exchange will, in consultation with TCPL and the Contracting Parties, make a determination of whether a force majeure event exists and an estimate of its probable duration.
- b. Physical Transactions - All Contracting Parties with Physical Transactions for any of the Physical Instruments for which access to the Trading System may be closed will be asked to provide confirmable estimates of the volume of gas that could be delivered or taken in respect of such obligations under such Physical Transactions in order to ascertain available supply and available demand and as to any preferable alternative arrangements which may affect available supply or available demand.
- c. Notice to Contracting Parties - If a force majeure event is determined to exist, all Contracting Parties will be immediately notified by phone, by fax, and by messages made available for access on their Trader

Workstation, Exchange may cause a temporary General Suspension and Exchange will use its discretion to determine which Instruments would be closed.

- d. Allocation - Exchange will pro rata allocate the available supply to the available demand subject to any preferable alternative arrangements made by any Contracting Party and agreed to by Exchange which may reduce available demand.
- e. No Allocation - All obligations under Physical Transactions not covered by the allocations pursuant to paragraph (d) above will be closed as if by an offsetting trade at the Purchase Price.
- f. Next Day - Exchange would, prior to the start of trading on each successive Trading Day:
 - i. make a decision as to the continued existence of the force majeure event and determine which Instruments, if any, would be available for trading; and
 - ii. notification of the extension or discontinuance of the force majeure event will be made to all Contracting Parties before opening any halted Physical Instruments.

15. INVOICE AMOUNTS

Exchange will determine the amounts owing or payable on a monthly basis for the intra Alberta Hub as follows:

- a. For gas delivered or received by multiplying the following:
 - i. the Contract Quantity of gas delivered or taken at the intra Alberta Hub for each Delivery Day of the given Month under all Basis Alberta Physical Transactions and all Intra-Alberta US\$ [and Daily Index 5A US Instruments](#) for a given Month expressed in MMBTU's; times
 - ii. the Purchase Price, expressed in U.S. dollars per MMBTU for all Basis Alberta Physical Transactions and Intra-Alberta U.S.\$ [and Daily Index 5A US Instruments](#) for such Month; plus

~~(June 23, 2005)~~
[\(January 24, 2006\)](#)
 - iii. Contract Quantity of gas delivered or taken at the intra Alberta Hub for each Delivery Day of the given Month under all AECO/NGX, Index 2A, Index 4A and Index 5A Physical Transactions for a given Month expressed in GJ's; times
 - iv. Purchase Price, expressed in dollars per GJ for all AECO/NGX, Index 2A, Index 4A and Index 5A Physical Transactions for such Month; plus
- b. All fees as outlined in Schedule "A" of this Agreement; plus
- c. Any fees charged to Exchange by TCPL for the Title Transfers pertaining to the delivery of gas under all such Physical Transactions; plus
- d. Any applicable taxes pursuant to Article 7 of this Agreement.

16. INTERPRETATION

- a. All times referred to herein are to Central Clock Time.
- b. All amounts of money referred to herein or in the Agreement in respect of the Intra-Alberta Hub are in Canadian dollars unless otherwise specified.

- c. Capitalized words and phrases used in this Schedule and not defined in this Schedule will have the same meaning as set forth in the Agreement.

17. DEFINITIONS

- a. "Basis Instruments" and "Basis Physical Transactions" - are those Physical Instruments and Physical Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into a Physical Transaction and is based on the Henry Futures Settlement Price;
- b. "Basis Spread Instrument" - means a Physical Instrument which facilitates the simultaneous entering into as Buyer on the one hand and Seller on the other of two otherwise equivalent Physical Transactions at two different Hubs, the particulars of which are further described in this Schedule "G";
- c. "Basis Spread Transaction" - means a Physical Transaction in respect of a Basis Spread Instrument, entered into by the Buyer or Seller as the case may be, from time to time through the Trading System for the purchase or sale of such Instrument;
- d. "BBTU" means billions (10^9) British thermal units;
- e. "CGPR" means Canadian Gas Price Reporter, published by Enerdata Ltd., or its successor;
- f. "Daily Index 2A Physical Instrument" and "Daily Index 2A Physical Transactions" means those Physical Instruments and Physical Transactions, where the formula for calculation of the Purchase Price is determined at the time of entering into a Daily Index 2A Physical Transaction and is based on the Daily Index 2A Price;
- g. "Daily Index 2A Price" means, for gas delivered under all Daily Index 2A Physical Transactions:
- i. the arithmetic average price in Canadian Dollars per GJ for the applicable flow day(s) corresponding to line 2A of the monthly totals: (A) as published on the Canadian Domestic Gas Price Report Page and in the "Daily Spot Gas Price at AECO C & Nova Inventory Transfer" table of the CGPR; or (B) reported by Exchange on its website members area in a table entitled "AECO "C" - N.I.T. Daily Index Prices", or
 - ii. in the event that the Canadian Domestic Gas Price Report page or the CGPR does not report the required information to determine the Daily Index 2A Price hereunder, or the Daily Index 2A Price is otherwise not determinable, the price will be the price determined by Exchange based on the arithmetic average of the daily weighted average of all same day (IA-SD) Physical Transactions with reference to the most comparable trades executed through the Trading System at the Intra-Alberta Hub;
- h. "Daily Index 4A Physical Instrument" and "Daily Index 4A Physical Transaction" - are those Physical Instruments and Physical Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into a Daily Index 4A Physical Transaction and is based on the Daily Index Price;
- i. "Daily Index 4A Price" means, for gas delivered for the Daily Index 4A Physical Transaction:
- i. the weighted average price in Canadian Dollars per GJ for the applicable flow day(s) corresponding to Line 4A of the monthly totals: (A) as published in the Canadian Domestic Gas Price Report Page and in the "Daily Spot Gas Price at AECO C & Nova Inventory Transfer" table of the CGPR; or (B) as reported by Exchange on its website members area in the table entitled "AECO "C" - N.I.T. Daily Index Prices";

- ii. in the event that CGPR or Exchange does not report the required information to determine the Daily Index 4A Price hereunder, or the Daily Index 4A Price is otherwise not determinable, the price will be the price determined by Exchange based on the arithmetic average of:
 - A. for each Gas Day (Monday to Friday, inclusive) the daily weighted average for all same day (IA-SD) Physical Transactions executed through the Trading System at the Intra-Alberta Hub; and
 - B. the weighted average for weekend (IA-S2) Physical Transactions executed through the Trading System as a proxy for each Saturday and Sunday at the Intra-Alberta Hub;

(June 23, 2005)

j. "Daily Index 5A Instrument" and "Daily Index 5A Physical Transaction" means those Physical Instruments and Physical Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into a Daily Index 5A Physical Transaction and is based on the Daily Index 5A Price;

k. "Daily Index 5A Price" means, for gas delivered for the Daily Index 5A Physical Transactions:

- i. the arithmetic average price in Canadian dollars per GJ for the applicable flow day(s) corresponding to line 5A of the monthly totals: (A) as published on the Canadian Domestic Gas Price Report page and in the "Daily Spot Gas Price at AECO C & Nova Inventory Transfer" table of the CGPR; or (B) as reported by Exchange on its website members area in the table entitled "AECO "C" - N.I.T. Daily Index Price"; or
- ii. in the event that the CGPR or Exchange does not report the required information to determine the Daily Index 5A Price hereunder, or the Daily Index 5A Price is otherwise not determinable, the price will be the price determined by Exchange based on the arithmetic average of:
 - A. for each Gas Day (Monday to Thursday, inclusive) the daily weighted average for all same day (IA-SD) Physical Transactions executed through the Trading System at the Intra-Alberta Hub; and
 - B. the weighted average for all weekend (IA-F3) Physical Transactions executed through the Trading System as a proxy for Friday, Saturday or Sunday plus any Canadian statutory holidays that are included in the weekend Physical Transactions at the Intra-Alberta Hub;

(June 23, 2005)

l. "Daily Index 5A US Instrument" and "Daily Index 5A US Physical Transaction" means those Physical Instruments and Physical Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into a Daily Index 5A US Physical Transaction and is based on the Daily Index 5A US Price;

m. "Daily Index 5A US Price" means, for gas delivered for the Daily Index 5A US Physical Transactions:

- i. the arithmetic average price in U.S. dollars per MMBtu for the applicable flow day(s) corresponding to line 5A of the monthly totals: (A) as published on the Canadian Domestic Gas Price Report page and in the "Daily Spot Gas Price at AECO C & Nova Inventory Transfer" table of the CGPR; or (B) as reported by Exchange on its website members area in the table entitled "AECO "C" - N.I.T. Daily Index Price"; or
- ii. in the event that the CGPR or Exchange does not report the required information to determine the Daily Index 5A US Price hereunder, or the Daily Index 5A US Price is otherwise not

determinable, the price will be the price determined by Exchange based on the arithmetic average of:

A. for each Gas Day (Monday to Thursday, inclusive) the daily weighted average for all same day (IA-SD) Physical Transactions executed through the Trading System at the Intra-Alberta Hub; and

B. the weighted average for all weekend (IA-F3) Physical Transactions executed through the Trading System as a proxy for Friday, Saturday or Sunday plus any Canadian statutory holidays that are included in the weekend Physical Transactions at the Intra-Alberta Hub;

(January 24, 2006)

- n. ~~f.~~ "Fixed Price Instruments" and "Fixed Price Physical Transactions" means those Physical Instruments and Physical Transactions where the Purchase Price is fixed at the time of entering into the Fixed Price Physical Transaction;
- o. ~~m.~~ "gas" means natural gas meeting the specifications in the TCPL Terms and Conditions as then in effect at the time of delivery of gas in respect of the Intra-Alberta Hub;
- p. ~~n.~~ "Gas Day" means a period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time;
- q. ~~o.~~ "Gas Daily" means a publication entitled Platt's Gas Daily published by Platt's, a division of the McGraw Hill companies;
- r. ~~p.~~ "Gigajoule" or "GJ" means 1,000,000,000 (10^9) Joules;
- s. ~~q.~~ "Henry Futures Settlement Price" means:
- (i) the settlement price on the last trading day of a monthly Henry futures contract which corresponds to the applicable delivery Month under a Physical Transaction expressed in US\$ per MMBTU (to four decimal points) as reported in Gas Daily in the table entitled "Futures NYMEX at Henry Hub" under the column called "Settlement", or
 - (ii) in the event that Gas Daily does not report a Futures NYMEX at Henry Hub settlement price, Exchange will determine the Henry Futures Settlement Price based on the most comparable reported prices for the applicable delivery Month;
- t. ~~r.~~ "Intra-Alberta Hub" means a notional point in Alberta where gas on the TCPL Alberta System can be transferred between TCPL customer accounts utilizing title transfers;
- u. ~~s.~~ "Joule" means that amount of work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force;
- v. ~~t.~~ "MMBTU" means 1,000,000 (10^6) British thermal units;
- w. ~~u.~~ "Month" means a month commencing on the first Gas Day of the calendar month and ending on the first Gas Day of the next calendar month;
- x. ~~v.~~ "One-Month Spot Index Physical Instruments" and "One-Month Spot Index Physical Transactions" - are those Physical Instruments and Physical Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into a One-Month Spot Index Physical Transaction and is based on the One-Month Spot Index Price;

- v. ~~w.~~ "One-Month Spot Index Price" means, for gas delivered during the delivery Month for all One-Month Spot Index Physical Transactions:
- i. the average price of intra-Alberta gas bought and sold for the entire delivery Month on the TCPL Alberta System based on agreements made during the Month immediately prior to the delivery Month: (A) as reported by the CGPR for the entire delivery Month in the "Canadian Natural Gas Supply Price" table, in the column marked "Avg" containing the delivery Month, on the line "AECO "C" N.I.T. One-Month Spot", or any words or phrases used in substitution therefor; or (B) as reported by Exchange on its website in the members area in a table entitled "AECO "C" N.I.T. - One Month Spot Price"; or
 - ii. in the event that CGPR or Exchange does not report the required information to determine the One Month Spot Index Price hereunder, or the One Month Spot Index Price is otherwise not determinable, the price will be the price determined by Exchange with reference to the most comparable reported prices in respect of intra-Alberta gas bought and sold for the entire delivery Month on the TCPL Alberta System based on agreements made during the Month immediately prior to the delivery Month;
- z. ~~x.~~ "TCPL" means TransCanada Pipelines Limited;
- aa. ~~y.~~ "TCPL Terms and Conditions" means the General Terms and Conditions of the Gas Transportation Tariff of TCPL Alberta System;
- bb. ~~z.~~ "TCPL Alberta System" means TCPL's intraprovincial pipeline system located in Alberta, formerly known as NOVA Gas Transmission Ltd.;
- cc. ~~aa.~~ "Terajoule" or "TJ" means 1,000,000,000,000 (10^{12}) Joules and is equal to 1000 GJ; and
- dd. ~~bb.~~ "Title Transfer" means the notification of inventory transfers sent to TCPL directing TCPL to transfer gas between a Contracting Party's TCPL account and Exchange's TCPL account, as described in Appendix "C" of the TCPL Terms and Conditions.

18. NOTICE OF APPOINTMENT OF AGENT

The Contracting Party will execute and deliver to Exchange the form of appointment of agency attached hereto as Appendix 1.

APPENDIX 1

**NOTICE OF APPOINTMENT OF AGENT
FOR NOTIFICATIONS INVENTORY TRANSFERS**

1. _____ ("Customer") hereby appoints **Natural Gas Exchange Inc. ("Agent")** as its agent to act on its behalf to carry out Title Transfer Nominations ("Title Transfers") in accordance with the provisions of TCPL Terms and Conditions - Appendix "C": Terms and Conditions Respecting Title Transfers, as amended from time to time, (the "Procedure"). Such appointment shall be limited to only those Title Transfers which are deliverable at Agent's intra-Alberta hub. TCPL shall be entitled to rely, without further inquiry, upon Agent's instructions and documentation filed in accordance with the Procedure as though the instructions and documentation had been received directly from Customer.
2. Agent's authority to act on behalf of Customer shall be effective from the time that TCPL receives this Notice and shall remain in full force and effect until Customer provides TCPL with written notice revoking Agent's appointment. The revocation of Agent's authority shall not affect any Title Transfers in effect at the time TCPL receives notice of Customer's revocation of Agent's appointment.
3. Customer hereby agrees that Agent can instruct TCPL or NrG Systems Ltd. to set-up a waiver on the NrG Highway which authorizes all Title Transfers between Customer and Agent. Customer agrees not to revoke the waiver while Customer has Physical Transactions with Agent.

CUSTOMER

AGENT

Per: _____

Per: _____

Per: _____

Per: _____

DATE: ____/____/____

CUSTOMER'S MNEMONIC: _____

SAMPLE ONLY