

ATCO PIPELINES DELIVERY TRANSPORTATION SERVICE TO INDUSTRIALS Rate FSD

A) General Description

ATCO Pipelines' delivery transportation service is available to Customers who physically take Gas off of the Gas Pipeline System at an on-system Point of Delivery for an Industrial. The Gas is then allocated to Customer's delivery account on ATCO Pipelines' system and is available to transfer to other Customer Accounts. Term-differentiated Rates are available for Customers selecting a longer Minimum Term Date.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

B) Delivery transportation service is available under an Agreement provided that:

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Gas flows at the Point(s) of Delivery.
- (iii) Customer has executed an Agreement (FSD) with ATCO Pipelines which is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iv) This Rate is not applicable to Gas delivered to Other Pipelines from the Gas Pipeline System.
- (v) Customer acknowledges that ATCO Pipelines is not obligated to design the Gas Pipeline System or to deliver in any one hour at the Point of Delivery, a quantity of Gas in excess of 1/24 the Nominated Demand.
- (vi) For an average daily flow in a Month that falls between 90% and 110% of the Nominated Demand (Billing Demand), the charge will be the demand charge under this Rate applied to the average daily flow in that Month plus the fixed charge.

Should the average daily flow in a Month exceed 110% of the Nominated Demand, an Overrun Charge will be applied to the difference between the total flow in the Month and 110% of the Nominated Demand (Billing Demand) times the number of days in

the Month. The charge will be the Overrun Charge plus the demand charge applied to 110% of the Nominated Demand plus the fixed charge.

Should the average daily flow in a Month be less than 90% of the Nominated Demand, the charge will be the demand charge applied to 90% of the Nominated Demand (Billing Demand) plus the fixed charge.

(vii) Applicable Rate Riders:

Municipal Franchise Fee (Rider "A")

Municipal Tax Rider (Rider "B")

Deemed Value of Natural Gas (Rider "E")

(viii) FSD Term:

The standard firm service Agreement (FSD) term is 1 year and may commence at any time provided additional facilities are not required for the service to commence. A Customer may elect to enter into an Agreement for a longer term to support an investment by ATCO Pipelines.

These Agreements will continue in effect after the Minimum Term Date as specified in the Agreement unless Customer has provided 12 months prior written notice to terminate the service or reduce the applicable Nominated Demand. Where the Customer has provided such notice, the service will terminate, or the applicable Nominated Demand reduced, on the first day of the month 12 months following the date on which notice was received.

C) Transportation service charges at each Point of Delivery

Rate FSD: FIRM DELIVERY TRANSPORTATION SERVICE

(a) North zone

Fixed charge: \$1,000.00 per Month at each Point of Delivery

Demand charge:

1 or 2 year Minimum Term: \$3.391 per Month per GJ of Billing Demand

3 or 4 year Minimum Term: \$3.228 per Month per GJ of Billing Demand

5+ years Minimum Term: \$3.069 per Month per GJ of Billing Demand

Overrun charge: \$0.117 per GJ

(b) South Zone

Fixed charge: \$1,000.00 per Month at each Point of Delivery

Demand charge:

1 or 2 year Minimum Term: \$1.986 per Month per GJ of Billing Demand

3 or 4 year Minimum Term: \$1.890 per Month per GJ of Billing Demand

5+ years Minimum Term: \$1.795 per Month per GJ of Billing Demand

Overrun charge: \$0.069 per GJ