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**ARTICLE 1 – COMMON STREAM OPERATIONS**

- 1.1 Subject to these terms and conditions of this Service Specification and the Tariff, TransGas will offer a Common Stream Operations Service enabling Common Stream Operators to provide confirmation of Nominations and the Allocation of Gas in accordance with the terms, conditions and provisions of this Service Specification and the Tariff.

**ARTICLE 2 - DEFINITIONS**

- 2.1 The uppercase terms used herein shall have the same meanings as are ascribed to the corresponding terms in the Definitions section of the Tariff, unless otherwise defined herein.

**ARTICLE 3 - NOMINATIONS**

- 3.1 Customer shall be required to comply with the provisions of the Nomination Procedure set out in the Tariff, as it applies to Common Stream Gas Nominations.
- 3.2 TransGas shall provide the Common Stream Operator, by 11:30 hours CCT and 16:00 hours CCT each Day, with a summary of the Nominations specific to Common Stream Operator's Point of Receipt and any revisions thereto.
- 3.3 Common Stream Operator shall notify TransGas if on any given Day there will be insufficient production to meet the cumulative daily Nominations specific to Common Stream Operator's Point of Receipt, as well as, which individual Nomination the Common Stream Operator would plan not to meet during that Day.

**ARTICLE 4 - TERM**

- 4.1 Subject to the Service Specification this Service shall be effective from the Effective Date of the TransGas Contract, and shall continue in force and effect thereafter, subject to the provisions of Article 8.

**ARTICLE 5 - GENERAL COVENANTS**

- 5.1 The Customer(s) flowing Gas at the Point of Receipt and the CSO acknowledge and agree that the Gas to be delivered under the TransGas Contract will be received at the Point of Receipt in a common stream. Notwithstanding this fact, Customer(s) agrees

that all of the provisions of the Receipt Transportation Services shall apply to the Gas being received at the Point of Receipt as if all such Gas was the Customer(s)'s, except for the provisions of the Service relating to quantity of Gas received at the Point of Receipt, which provisions shall take into account the Customer(s)'s Allocations of Gas determined pursuant to Article 6 (Allocation of Gas) of these terms and conditions.

- 5.2 CSO shall attempt to produce on any Day, an amount of Gas equal to the total amount of Gas Nominated and agreed to for that Day as outlined in Clause 3.2.

#### **ARTICLE 6 - ALLOCATION OF GAS**

- 6.1 All Gas received by TransGas from or on behalf of the Customer(s) at the Point of Receipt shall be measured and tested by TransGas in the common stream.
- 6.2 On or before the 25<sup>th</sup> Day of the preceding Month, the CSO shall provide TransGas with Pre-determined Allocation Methodology for each Business Party's Class of Service at CSO's Point of Receipt.
- 6.3 In the event CSO does not provide TransGas with the Pre-determined Allocation Methodology as specified in Clause 6.2, TransGas will use the Pre-determined Allocation Methodology from the previous Month or if there was no Pre-determined Allocation Methodology for the previous Month, TransGas will determine the Pre-determined Allocation Methodology at its sole discretion.
- 6.4 On or before 08:00 hours CCT two Days following Gas flows, TransGas will provide CSO with the following information:
- (a) total Best Available Volume of Gas received at the Point of Receipt during the flow Day;
  - (b) the Last Available Heating Value of the Gas received at the Point of Receipt during the flow Day; and
  - (c) the Energy Allocations for the flow Day Allocated to each Customer based upon the Pre-determined Allocation Methodology pursuant to Clauses 6.2 and 6.3 herein.
- 6.5 Prior to 18:00 hours CCT two Days following the flow Day, and upon receiving the information set out in Clause 6.4 herein, the CSO may provide TransGas notice of an updated Pre-determined Allocation Methodology to each Customer at CSO's Point of Receipt.

- 6.6 In the event the CSO does not provide TransGas with an updated Pre-determined Allocation Methodology as specified in Clause 6.5 by 18:00 hours CCT, Customer(s)'s daily Allocations as specified by TransGas shall prevail.
- 6.7 On or before the seventh Day of each Month, TransGas will provide CSO with the following information:
- (a) total verified metered volume of Gas received at the Point of Receipt during the preceding Month;
  - (b) the Actual Heating Value of the Gas received at the Point of Receipt during the preceding Month; and
  - (c) the Actual Energy Allocated for the preceding Month based on the Pre-determined Allocation Methodology to each transport account, as per Clauses 6.4, 6.5, and 6.6 herein.
- 6.8 Prior to the due date of the 15<sup>th</sup> Day of the Month, but no earlier than the 13<sup>th</sup> Day of the Month, and as published in the TransGas Calendar of Events before the beginning of the Month, the CSO may provide TransGas with its updated Pre-determined Allocation Methodology for the preceding Month to each transport account at CSO's Point of Receipt.
- 6.9 Any reallocation of the Actual Energy Allocations for the preceding Month, which is less than 80 percent of the cumulative daily Allocations, requires the approval of TransGas, which approval shall not be unreasonably withheld.
- 6.10 In the event the CSO does not provide the updated Pre-determined Methodology to TransGas as specified in Clause 6.8, then Customer(s)'s Monthly Energy as specified by TransGas shall prevail.
- 6.11 Once the Customer(s)'s Allocations of Gas have been set pursuant to Clauses 6.4, 6.5, 6.8 or 6.9, they shall be final, binding, and accepted as correct by Customer(s) and CSO, subject to errors or omissions identified by TransGas, or brought to the attention of TransGas by the CSO or the Customer(s), such reasonable errors or omissions to be adjusted accordingly.
- 6.12 TransGas shall be entitled to rely on the Customer(s)'s Allocations provided by the CSO to TransGas, and shall in no event be liable to Customer(s) or CSO for use of or reliance on the Customer(s)'s Allocations.

**ARTICLE 7 - LIMITATION OF LIABILITY**

- 7.1 Notwithstanding anything contained in these terms and conditions, CSO, its servants, agents or employees shall not be liable to Customer(s) under Common Stream Operations Service for any loss or damage suffered by Customer(s) resulting or arising from its operations under these terms and conditions, except when and to the extent that such loss or damage results from the gross negligence or willful misconduct of CSO, its servants, agents or employees.
- 7.2 This limitation on CSO's liability shall apply regardless of whether the action is based on contract, including, without limitation, fundamental breach or breach of fundamental term, or tort, including, without limitation, negligence.

**ARTICLE 8 - APPOINTMENT OF A NEW COMMON STREAM OPERATOR**

- 8.1 The CSO shall not assign the Common Stream Operations Service TransGas Contract, in whole or in part, or any interest herein or any right or obligation hereunder, without the prior written consent of TransGas, such consent not to be unreasonably withheld.
- 8.2 Notwithstanding the provisions of this Article 8, the CSO shall be replaced immediately and another CSO appointed by TransGas if the CSO becomes bankrupt or insolvent or commits or suffers any act of bankruptcy or insolvency, or makes any assignment for the benefit of creditors or causes any judgment to be registered against it.
- 8.3 Should the CSO default in its duties or obligations, or any of them hereunder, and does not commence to rectify the default within thirty (30) Days after written notice from TransGas specifying the default and requiring the CSO to remedy the same, TransGas reserves the right to remove the CSO and appoint a new CSO, at its sole discretion.
- 8.4 In the case that an acceptable Person is unavailable to be appointed pursuant to the provisions of Clauses 8.2 or 8.3, or a Person is not prepared to accept the obligations and responsibilities of the CSO, TransGas shall then act in the capacity as CSO, setting Energy Allocations on the basis of Nominations provided to TransGas by the Customer as set out in Clause 3.1 hereof, until such time that a new Person can be appointed as the replacement CSO.
- 8.5 Notwithstanding the provisions of this Article 8, the Common Stream Operations Service may be terminated by either the CSO or TransGas upon thirty (30) Days' advance written notice of the Person's intention to terminate the Service.

**ARTICLE 9 - MISCELLANEOUS PROVISIONS**

- 9.1 The General Business Policies; the Procedures, Tariff Rates and Charges Schedules; and the General Terms and Conditions, are by this reference incorporated into and made a part of this Common Stream Operations Service Specification Terms and Conditions. Notwithstanding anything contained herein, the terms and conditions hereof shall be subject to the terms and conditions contained in the Tariff Rates and Charges Schedules, the General Business Policies and the provisions of the General Terms and Conditions, to the extent that there is no conflict. In the event that there is a conflict between the provisions herein and those referenced, TransGas and Customer agree that the provisions herein shall prevail. In the event that there is a conflict between the provisions of the TransGas Contract and those referenced, TransGas and Customer agree that the provisions of the TransGas Contract shall prevail.