



October 24, 2024

**VIA CFTC PORTAL**

Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st St., N.W.  
Washington, D.C. 20581

**Re: Amendment to ICE NGX Canada Inc. Rules - Submission Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and CFTC Regulation § 40.6(a): Update to Delivery Procedures for Physically Settled Natural Gas Futures at Canadian Delivery Points**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, (“Act”) and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), ICE NGX Canada Inc. (“ICE NGX”) is submitting this self-certification to make amendments (the “Amendments”) to the ICE NGX Contracting Party Agreement (“CPA”). The CPA functions as the rulebook for ICE NGX’s exchange and clearinghouse operations and is a “rule” as that term is defined under Commission Regulation 40.1(i).

**1. Overview**

ICE NGX is updating the rules and procedures relating to physical delivery of natural under ICE NGX’s Physically Settled Gas Products at Canadian Delivery Points.

ICE NGX intends to implement the Amendments on November 18, 2024 (or such later date as may be designated by ICE NGX).

The text of the amended CPA provisions is attached as the Appendix to this letter.

Note: All capitalized terms not otherwise defined herein have the meaning given to them in the CPA.

**2. New Same-Day Strip at Spectra-Hunt**

ICE NGX is making a “same-day” strip available for its Physically Settled Gas Futures Transactions at the Spectra-Hunt Delivery Point. ICE NGX currently offers physically settled products at the Spectra-Hunt Delivery Point for next-day delivery and beyond. The Same-Day tenor is being added in response to customer demand, and following enhancement to the pipeline operator’s systems to facilitate scheduling of the same-day tenor.

Because this is a new tenor on an existing product, ICE NGX is not submitting a notice or request to add a new product to the ICE NGX Product List.

**ICE NGX Canada Inc.**  
Suite 2610, 225 – 6<sup>th</sup> Avenue SW  
Calgary, AB  
Canada T2P 1N2  
**ice.com**



Further, because this a new tenor for an existing product, ICE NGX is of the view that the same-day tenor for the Spectra-Hunt Delivery Point is not readily susceptible to manipulation, in line with the existing tenors at that Delivery Point.

### **3. Details of Rule Changes**

The Amendments update the delivery procedures for ICE NGX's Physically Settled Gas Futures Products at Canadian delivery points, including to reflect the new Same-Day strip at the Spectra-Hunt Delivery Point. Specifically, the Amendments

- update the delivery procedures for certain Delivery Points to reflect current practice;
- reflect the delivery procedures for the new Same-Day strip at the Spectra-Hunt Delivery Point;
- consolidate defined terms for streamlining and greater consistency with other Schedules and remove unused defined terms; and
- remove outdated references to third-party systems.

### **4. Compliance to Core Principles**

ICE NGX reviewed the Amendments and determined that they comply with the rules and regulations of the Commission. In this regard, ICE NGX reviewed the derivatives clearing organization ("DCO") core principles (each a "Core Principle") and determined that the Amendments are potentially relevant to the following Core Principles and applicable regulations of the Commission thereunder.

**Compliance (Core Principle A):** The Amendments are consistent with Core Principle A - Compliance and Commission Regulation 39.10, as the Amendments clarify and enhance ICE NGX's policies and procedures for complying with Commission regulations and internal policies.

**Settlement Procedures (Core Principle E):** The Amendments are consistent with Core Principle E - Settlement Procedures and Commission Regulation 39.14(g), as the Amendments clarify and enhance ICE NGX's rules and procedures for physical settlement of natural gas products at Canadian Delivery Points.

### **5. Certifications**

ICE NGX certifies that the proposed Amendments to the CPA discussed in this submission comply with the Act and the rules and regulations promulgated by the Commission thereunder. ICE NGX is not aware of any substantive opposing views expressed regarding the amendments.



ICE NGX further certifies that, concurrent with this filing, a copy of the submission was posted on ICE NGX's website and may be accessed at <https://www.ice.com/ngx>.

Yours truly,

A handwritten signature in black ink, appearing to read 'Greg Abbott', is written over a horizontal line.

By: Greg Abbott  
Title: President & COO  
Date: October 24, 2024

## SCHEDULE F – PHYSICALLY SETTLED GAS FUTURES – CANADIAN DELIVERY POINTS

**This Schedule F contains the clearing and settlement provisions for all Physically Settled Gas Futures Products at Canadian Delivery Points that are listed on the ICE NGX Product List and designated as cleared through the ICE NGX Clearing System.**

### 1. Product Availability

Transactions in Physically Settled Gas Futures Products at Canadian Delivery Points may be entered into during such times on such Trading Days as are stipulated by Exchange through the ICE NGX Trading System to the Contracting Parties from time to time, or as otherwise provided under the Agreement, including through a Block Transaction under Section 3.2 (including but not limited to Same-Day Delivery Tenors in any Physically Settled Gas Futures Product stipulated on the ICE NGX Trading System).

### 2. Relationship to Agreement

Nothing in this Schedule F will impair the obligations or rights of Exchange or the rights or obligations of the Contracting Party pursuant to this Agreement. Any Contracting Party which is a party to a Physically Settled Gas Futures Transaction entered into at a Canadian Delivery Point hereby agrees that any such Physically Settled Gas Futures Transaction includes the provisions of this Schedule F and is subject to the terms of this Agreement.

### 3. Spreads

- a. Effect on Second Leg of Force Majeure on First Leg   —A force majeure event at the first Delivery Point or during the first time period of a Gas Spread Transaction may reduce the Obligations of Exchange and Contracting Party under the Gas Spread Transaction at the first Delivery Point or during the first time period but will not affect the Obligations of Exchange and the Contracting Party under the Gas Spread Transaction at the second Delivery Point or during the second time period;
- b. Effect on First Leg of Force Majeure on Second Leg   —A force majeure event at the second Delivery Point or during the second time period of a Gas Spread Transaction may reduce the Obligations of Exchange and the Contracting Party under the Gas Spread Transaction at the second Delivery Point or during the second time period pursuant to this Schedule but will not affect the Obligations of Exchange and the Contracting Party under the Gas Spread Transaction at the first Delivery Point or during the first time period;
- c. Designation   —Exchange retains the right to designate a Gas Spread Transaction submitted and accepted for clearing in accordance with Section 3.2 of the Terms and Conditions as two separate Physically Settled Gas Futures Transactions for the purposes of applicable fees in Schedule A.

### 4. Pre-Delivery Procedure

- a. Notice of Deliveries – At any time prior to delivery, Exchange may request verification from the Contracting Party that the Contracting Party has access to the relevant Transportation System(s) at the relevant Canadian Delivery Point(s) to perform its Obligations as Buyer or Seller under its Physically Settled Futures Transactions.
- b. Verification of Access to Transportation Systems   —Within 24 hours of any such request the Contracting Party will verify to Exchange its access to the relevant Transportation System(s) at the U.S. Delivery Point(s) to perform its Obligations as Buyer or Seller under its Physically Settled Futures Transactions.
- c. Remedial Actions by Contracting Party – If the Contracting Party does not verify its access to the relevant Transportation System(s) in accordance with paragraph b., the Contracting Party is required to enter into one more Physically Settled Gas Futures Transaction(s) to offset, in whole or in part, its delivery or take obligations prior to the nomination deadline for the applicable Delivery Day.
- d. Remedial Actions by Exchange   —If the Contracting Party has not verified to Exchange's satisfaction, acting reasonably, its access to the relevant Transportation System(s) at the Canadian Delivery Points to perform its

Obligations as Buyer or Seller or offset its obligations to make or take delivery under its Physically Settled Futures Transactions prior to the nomination deadline for such Delivery Day, Exchange may enter into Physically Settled Gas Futures Backstopping Transactions or enact the Liquidation and Close-out Procedures in accordance with this Agreement to offset, in whole or in part, delivery or take receipt obligations, which in the opinion of Exchange may not be performed.

## 5. Delivery Procedures

- a. Performance at Timely Cycle ~~—~~The Contracting Party, whether acting as Buyer or Seller, is expected to take or deliver natural gas, as applicable, at Timely Cycle, in accordance with this section.
- b. Delivery Procedures at AB-NIT ~~—~~Exchange will submit ~~a~~Title Transfers to TCPL for the delivery or take of gas under all Physically Settled Gas Futures Transactions at the AB-NIT Delivery Point as follows:
  - (i) Yesterday Products ~~—~~On each Trading Day before 11:~~3000~~ MST, during the observance of Standard Time in Alberta, or 10:~~3000~~ a.m. MDT, during the observance of Daylight Savings Time in Alberta, Exchange will, for each Contracting Party, aggregate all of the Daily Contract Quantities for delivery and aggregate all of the Daily Contract Quantities for receipt in the AB-NIT Yesterday Products and 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.
  - (ii) Same Day Products – At the end of each day, Exchange will, for each Contracting Party aggregate all of the Daily Contract Quantities for delivery and sum all of the Daily Contract Quantities for receipt in the AB-NIT Same Day Products and 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;
  - (iii) All other Physically Settled Gas Futures Transactions – At the end of each day, Exchange will, for each Contracting Party, aggregate all of the Daily Contract Quantities for delivery tomorrow and aggregate all of the Daily Contract Quantities for receipt tomorrow under the Physically Settled Gas Futures Transactions and 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.
- c. Delivery Procedures at all other Canadian Delivery Points ~~—~~Exchange and each Contracting Party with Physically Settled Gas Futures Transactions at any Canadian Delivery Point other than AB-NIT will submit Title Transfers ~~or Name Change Nominations, as applicable,~~ for the delivery or take of gas under all such Physically Settled Gas Futures Transactions as follows.
  - (i) Conversion to GigaJoules ~~—~~Each of Exchange and the Contracting Party will convert the Daily Contract Quantities under each Physically Settled Gas Futures Transaction at any of the Empress and Eastern Canada Delivery Points, Union-Dawn Delivery Point and Union Parkway Delivery Point from MMBtu to GigaJoules in accordance with the conversion factor as published in the TCPL Terms and Conditions or the Union General Terms, as applicable, and round such quantities to the nearest GigaJoule.
  - (ii) Contracting Party to Net Daily Contract Quantity ~~—~~Each Contracting Party will offset the Daily Contract Quantities due for delivery against the Daily Contract Quantities due to be taken on each day for all Physically Settled Gas Futures Transactions to determine a net Daily Contract Quantity at each of the Canadian Delivery Points.
  - (iii) Contracting Party to Submit Title Transfers ~~or Name Change Nominations~~ ~~—~~Except for the Station ~~2~~ Delivery Point, ~~each~~ Each Contracting Party with a net Daily Contract Quantity to be delivered or to be taken at the Canadian Delivery Points will submit to the applicable pipeline operator:
    - (A) for Same-Day Products, Title Transfers ~~or Name Change Nominations, as applicable,~~ for the net Daily Contract Quantity under Same Day Products at the applicable Canadian Delivery Point in GJs with a unique package number, Exchange mnemonic and with a start and end date of today

- ~~(I)~~ for the Union Dawn Delivery Point and the Union Parkway Delivery Point, before the next available intra-day NAESB nomination deadline;
- (I) for the Alliance Delivery Point, Spectra Station 2 Delivery Point, ~~and~~ TEP Delivery Point ~~and Union-Dawn Delivery Point~~, ~~before~~after ~~before 2:3000 p.m. MPT~~; ~~and before the next available intra-day NAESB nomination deadline~~;
- (II) ~~for the Spectra Hunt Delivery Point~~, ~~after~~before 2:00+30 pm. MPT; ~~and~~
- (B) for all other Physically Settled Gas Futures Transaction~~s~~, Title Transfers ~~or Name-Change Nominations, as applicable~~, for the net Daily Contract Quantity under ~~Same~~Next Day Products at the applicable Canadian Delivery Point in GJs with a unique package number, Exchange mnemonic and with a start and end date of tomorrow
  - ~~(I)~~ -for the Spectra Station 2 Delivery Point, ~~before~~after ~~before 3:3000 p.m. MPT at the end of each day~~; ~~and~~
  - (II) for all other Canadian Delivery Points, before the NAESB Timely Nomination Deadline.
- (iv) Exchange to Net Daily Contract Quantity ~~—~~Exchange will offset the Daily Contract Quantities due for delivery against the Daily Contract Quantities due to be taken on each day for all Physically Settled Gas Futures Transactions to determine a net Daily Contract Quantity at each of the Canadian Delivery Points.
- (v) Exchange to Submit Title Transfers~~or Name-Change Nomination~~ ~~—~~For all net Daily Contract Quantities of gas to be delivered or to be taken at the applicable Canadian Delivery Point, Exchange will submit to the applicable pipeline operator
  - (A) for Yesterday Products, Title Transfers, ~~Name-Change Nominations or imbalance trades nominations, as applicable~~, for the net Daily Contract Quantity under Yesterday Products at the applicable Canadian Delivery Point in GJs with a unique package number, Contracting Party mnemonic and with a start and end date of yesterday
    - ~~(I)~~ -for the Alliance Delivery Point and Station 2 Delivery Point, ~~before~~after~~before~~ 10:~~3000~~ a.m. MPT; ~~and~~
    - ~~(I)~~ ~~for the Alliance Delivery Point~~, ~~before~~after ~~10:00 a.m. MPT~~;
  - ~~(B)~~ for Same-Day Delivery Products, Title Transfers~~or Name-Change Nominations, as applicable~~, for the net Daily Contract Quantity under Same Day Products at the applicable Canadian Delivery Point in GJs with a unique package number, Contracting Party mnemonic and with a start and end date of today
    - ~~(I)~~ ~~for the Union-Dawn Delivery Point and the Union Parkway Delivery Point~~, before the next available intra-day NAESB nomination deadline;
    - (I) for the Alliance Delivery Point, Spectra Station 2 Delivery Point, ~~and~~ TEP Delivery Point ~~and Union-Dawn Delivery Point~~, ~~before~~after ~~before 2:3000 p.m. MPT~~ ~~before the next available intra-day NAESB nomination deadline~~; ~~and~~
    - (II) ~~For~~for the Spectra Hunt Delivery Point, ~~after 1:30~~before 2:00 pm. MPT; ~~and~~
- ~~(D)~~(C) for all other Physically Settled Gas Futures Transaction, Title Transfers~~or Name-Change Nominations, as applicable~~, for the net Daily Contract Quantity under ~~Same~~Next Day Products

at the applicable Canadian Delivery Point in GJs with a unique package number, Contracting Party mnemonic and with a start and end date of tomorrow

- (I) ~~for the Spectra Station 2 Delivery Point, before 3:3000 p.m. MPT at the end of each day;~~  
and
  - (II) for all the other Canadian Delivery Points, before the NAESB Timely Nomination Deadline.
- (vi) Empress and Eastern Canada Delivery Points ~~—~~ Any Contracting Party with a net Daily Contract Quantity to be delivered or to be taken at any of the Empress and Eastern Canada Delivery Points will
- (A) before the NAESB Timely Nomination Deadline, acknowledge the Title Transfers ~~Nominations~~ submitted by Exchange ~~in the applicable Delivery Point Operator's systems via NRG HighwaGCTS,~~ and
  - (B) rank Exchange as “last-to-be-cut” or “first-to-be-delivered”, as applicable, for each nomination cycle.
- d. ~~Nomination Waiver at AB-NIT, Alliance and Spectra Station 2 Delivery Points —~~ Any Contracting Party with a net Daily Contract Quantity to be delivered or to be taken at any of the AB-NIT Delivery Point, the Alliance Delivery Point or the Spectra Station 2 Delivery Point must enable a nomination waiver with the applicable pipeline operator.

## 6. Performance of the Physically Settled Gas Futures Transactions

- a. Performance ~~—~~ The Physically Settled Gas Futures Transactions at Canadian Delivery Points will be performed as follows:
- (i) By the Contracting Party:
    - (A) upon the acceptance or confirmation of the Title Transfers, ~~Inventory Transfer Nomination or Name Change Nomination, as applicable,~~ by the applicable pipeline operator for the total Daily Contract Quantities or net Daily Contract Quantity, as applicable, of gas nominated for delivery or take at the Canadian Delivery Points; and
    - (B) by the payment to Exchange of the Invoice amounts for the Physically Settled Gas Futures Transactions at the applicable Canadian Delivery Points.
  - (ii) By Exchange:
    - (A) upon the acceptance or confirmation of the Title Transfers, ~~Inventory Transfer Nomination or Name Change Nomination, as applicable,~~ by the applicable pipeline operator for the total Daily Contract Quantities or net Daily Contract Quantity, as applicable, of gas nominated for delivery or take at the Canadian Delivery Points; and
    - (B) by the payment to the Contracting Party of the Invoice amounts for the Physically Settled Gas Futures Transactions at the applicable Canadian Delivery Points.

## 7. Procedures on Failure of Performance

- a. Rejection of Title Transfer – In the event of a Failure to Deliver or Failure to Take in respect of a Physically Settled Gas Futures Transaction at any Canadian Delivery Point:

- (i) Exchange will notify the Contracting Party by instant message, phone or email that a Title Transfer ~~or Name Change Nomination~~ has been rejected by the pipeline operator indicating the quantity affected; and
- (ii) Exchange may exercise any of its rights under Article 5 of the Terms and Conditions.

## 8. Title

- a. From Seller – Title to and risk of loss of gas delivered under any Physically Settled Gas Futures Transaction shall pass from the Seller during delivery at the receipt point specified in such Physically Settled Gas Futures.
- b. To Buyer – Title to and risk of loss of gas delivered under any Physically Settled Gas Futures Transaction shall pass to the Buyer during delivery at the receipt point specified in such Physically Settled Gas Futures 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 Physically Settled Gas Futures Transaction shall:
  - (i) pass to Exchange, as Buyer, except as required by the Transportation System to facilitate any transfer of title 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 Transportation System to facilitate any transfer of title from Exchange to Buyer, which in such case shall be deemed to occur concurrently.

## 9. Representations and Warranties of the Contracting Party

The Contracting Party represents and warrants in respect of any Physically Settled Gas Futures Transaction entered into by it that at the time of delivery or receipt:

- a. If it is the Seller –
  - (i) it has the full right and authority to sell gas;
  - (ii) it owns and has title to gas, or irrevocable authority to sell gas;
  - (iii) gas delivered to Exchange shall be free from all royalty payments, Liens or encumbrances whatsoever; and
  - (iv) it has all necessary rights and entitlements with the applicable pipeline operator for the delivery of gas on the applicable pipeline on a firm basis (and not on an interruptible basis) with sufficient inventory to deliver the total Daily Contract Quantity or net Daily Contract Quantity, as applicable, sold for each Gas Day.
- b. If it is the Buyer –
  - (i) it has the full right and authority to purchase gas; and
  - (ii) it has all necessary rights and entitlements with the applicable pipeline operator to take gas on the applicable pipeline on a firm basis (and not on an interruptible basis) with sufficient capacity to take the total Daily Contract Quantity or net Daily Contract Quantity, as applicable, purchased for each Gas Day.

## 10. Liability

- c. Full Satisfaction – Upon payment, in accordance with this 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 Physically Settled Gas Futures Transaction, Exchange or such party to a Physically Settled Gas Futures Transaction shall have no further liability under such Physically Settled Gas Futures Transaction or this Agreement in respect of any such Failure to Deliver, Failure to Pay or Failure to Take.

- d. No Indirect Damages – Other than as specifically set forth in this Agreement, in no event shall Exchange or the Contracting Party be liable under this Agreement or any Physically Settled Gas Futures 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 Physically Settled Gas Futures Transaction.

## 11. Force Majeure

### A. AB-NIT DELIVERY POINT

- a. 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 Physically Settled Gas Futures 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. 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 AB-NIT Delivery Point to the available demand at the AB-NIT Delivery Point 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 Physically Settled Gas Futures Products 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 Physically Settled Gas Futures Transactions by an adjustment to the reports to reflect the consequences of the force majeure event. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure.

### B. EMPRESS DELIVERY POINTS

- a. A force majeure event will exist at the Empress Delivery Point in the event:
  - (i) TCPL curtails, interrupts or prorates firm transportation service for all customers holding TCPL firm delivery capacity on TCPL Alberta System at Empress; or
  - (ii) TCPL curtails, interrupts or prorates firm transportation service for all customers holding firm transportation capacity on TCPL Canadian Mainline at Empress.

- b. On any day that force majeure exists at the Empress Delivery Point, the Contracting Parties' obligation to take or deliver gas pursuant to all Physically Settled Gas Futures Transactions with a Delivery Point at the Empress Delivery Point shall be reduced by the same percentage as the curtailment, interruption or allocation for that day. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure.

#### C. UNION-DAWN AND PARKWAY DELIVERY POINTS

- a. A force majeure event will exist at the Union-Dawn Delivery Point or Union Parkway Delivery Point in the event that Union declares force majeure pursuant to Article XI of the Union General Terms.
- b. On any day that force majeure exists at the Union-Dawn Delivery Point or Union Parkway Delivery Point, the Contracting Parties' obligation to take or deliver gas pursuant to all Physically Settled Gas Futures Transactions with a Delivery Point at the Union-Dawn Delivery Point or Union Parkway Delivery Point shall be reduced by the same percentage as the curtailment, interruption or allocation for that day. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure.

#### D. EASTERN CANADA DELIVERY POINTS

- a. A force majeure event will exist:
- (i) if TCPL curtails, interrupts or prorates firm transportation service for all customers holding TCPL firm Transportation capacity on the TCPL Canadian Mainline System at the TCPL Niagara, TCPL Chippawa, TCPL Iroquois, TCPL Emerson Great Lakes, TCPL North Bay Junction, TCPL Energir EDA, TCPL Enbridge EDA, TCPL Enbridge CDA, TCPL East Hereford or TCPL St. Clair Delivery Points; or
  - (ii) at the TCPL Niagara Delivery Point, if TGP curtails, interrupts or prorates firm transportation service for all customers holding TGP firm transportation capacity at the TCPL Niagara Delivery Point; or
  - (iii) at the TCPL Chippawa Delivery Point, if Empire curtails, interrupts or prorates firm transportation service for all customers holding Empire firm service at the TCPL Chippawa Delivery Point;
  - (iv) at the TCPL Iroquois Delivery Point, if IGTS curtails, interrupts or prorates firm transportation service for all customers holding IGTS firm service at the TCPL Iroquois Delivery Point; or
  - (v) at the TCPL Emerson Great Lakes or TCPL St. Clair Delivery Points, if Great Lakes curtails, interrupts or prorates firm transportation service for all customers holding Great Lakes firm service at the TCPL Emerson Great Lakes or TCPL St. Clair Delivery Point.
  - (vi) at the TCPL Enbridge CDA Delivery Point, if Enbridge curtails, interrupts or prorates firm transportation service for all customers holding Enbridge firm transportation capacity at the Enbridge CDA Delivery Point;
  - (vii) at the TCPL Enbridge EDA Delivery Point, if Enbridge curtails, interrupts or prorates firm transportation service for all customers holding Enbridge firm transportation capacity at the Enbridge EDA Delivery Point;
  - (viii) at the TCPL Energir EDA Delivery Point, if Energir curtails, interrupts or prorates firm transportation service for all customers holding Energir firm transportation capacity at the TCPL Energir EDA Delivery Point; or
  - (ix) at the TCPL East Hereford Delivery Point, if PNGTS curtails, interrupts or prorates firm transportation service for all customers holding PNGTS firm transportation capacity at the TCPL East Hereford

Delivery Point or if Energir curtails, interrupts or prorates firm transportation service for all customers holding Energir firm transportation capacity at the TCPL East Hereford Delivery Point.

- b. On any day that force majeure exists at the TCPL Niagara, TCPL Chippawa, TCPL Iroquois, TCPL Emerson Great Lakes, TCPL North Bay Junction, TCPL Energir EDA, TCPL Enbridge EDA, TCPL Enbridge CDA, TCPL East Hereford or TCPL St. Clair Delivery Point, the Contracting Parties' obligation to take or deliver gas pursuant to all Physically Settled Gas Futures Transactions with a Delivery Point at the TCPL Niagara, TCPL Chippawa, TCPL Iroquois, TCPL Emerson Great Lakes, TCPL North Bay Junction, TCPL Energir EDA, TCPL Enbridge EDA, TCPL Enbridge CDA, TCPL East Hereford or TCPL St. Clair Delivery Point shall be reduced by the same percentage as the curtailment, interruption or allocation for that day at that Delivery Point. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure.

#### E. SPECTRA DELIVERY POINTS

- a. A force majeure event will exist at the Spectra Delivery Points in the event that Exchange declares force majeure, pursuant to but not restricted to the declaration of a force majeure condition by Duke at the Spectra Station #2 Compressor, ICE NGX may also declare a force majeure event if any conditions in effect are determined by ICE NGX to adversely affect the physical ability of a majority of Contracting Parties to take or deliver gas pursuant to all Physically Settled Gas Futures Transactions with a Delivery Point at the Spectra Delivery Points.
- b. On any day that force majeure exists at the Spectra Delivery Points, the Contracting Parties' obligation to take or deliver gas pursuant to all Physically Settled Gas Futures Transactions with a Delivery Point at the Spectra Delivery Points shall be reduced by the same percentage as the curtailment, interruption or pro rationing for that day. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure.

#### F. TEP DELIVERY POINTS

- a. A force majeure event will exist in the event:
  - (i) of a declared force majeure by TransGas; or
  - (ii) that TransGas has caused a curtailment of the volume of gas which may be accepted by TransGas for delivery on the TransGas Transportation System, which has the result of reducing the volume of gas which may be accepted by TransGas for delivery to the TransGas Transportation System by 25% or more, and reducing by 25% or more the aggregate of all obligations under Physically Settled Gas Futures Transactions for all Contracting Parties which can be delivered or received; or
  - (iii) TransGas has interrupted, curtailed or pro-rated Nominations service which affects all TransGas Transportation System shippers who have nominated for deliveries or receipts.
- b. 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 TEP Delivery Point to the available demand at the TEP Delivery Point 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 Physically Settled Gas Futures Products 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 Physically Settled Gas Futures Transactions by an adjustment to the reports to reflect the consequences of the force majeure event. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure.

## G. ALLIANCE DELIVERY POINTS

- a. A force majeure event will exist at the Alliance APC-ATP Delivery Point in the event:
  - (i) Alliance curtails, interrupts or prorates firm transportation service for all customers holding Alliance firm delivery capacity on Alliance Pipeline; or
  - (ii) Alliance curtails, interrupts or prorates firm transportation service for all customers holding firm transportation capacity at Alliance Canadian Receipt Delivery Point.
- b. On any day that force majeure exists at the Alliance Delivery Point, the Contracting Parties' obligation to take or deliver gas pursuant to all Physically Settled Gas Futures Transactions with a Delivery Point at the Alliance Canadian Receipt Delivery Point shall be reduced by the same percentage as the curtailment, interruption or allocation for that day. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure.

### **12. Procedures on Force Majeure Event**

- a. Investigation – Exchange will, in consultation with the applicable pipeline operator, make a determination of whether a force majeure event exists and an estimate of its probable duration.
- b. Notice to Contracting Parties – If a force majeure event is determined to exist (the “Force Majeure Declaration”), all affected Contracting Parties will be immediately notified by notice on Exchange’s Website, phone, instant message or email:
  - (i) that the Force Majeure Declaration has been made;
  - (ii) the reduction in relevant obligations; and
  - (iii) which Physically Settled Gas Futures Products, if any, will be halted from trading.
- c. Title Transfers ~~and Nominations~~ — The Seller, Buyer and Exchange will make all necessary changes to the relevant Title Transfers ~~or nominations, as applicable,~~ to reflect the reduced obligations.
- d. Further Notice — Exchange will promptly advise the affected Contracting Parties of any material changes to the Force Majeure Declaration.

### **13. Invoice Amounts**

- a. Determination of Invoice Amounts — Exchange will determine the amounts owing or payable on a monthly basis for Canadian Delivery Points as follows:
  - (i) for gas delivered or taken by multiplying the following:
    - (A) the portion of the Contract Quantity of gas delivered or taken at each of the Canadian Delivery Points under all Physically Settled Gas Futures Transactions for each Delivery Day of the given Month expressed in MMBtu’s or GJs, as applicable; times
    - (B) the Purchase Price, expressed in U.S. dollars per MMBtu or Canadian dollars per GJ, as applicable, for all Physically Settled Gas Futures Transactions for such Month; plus
  - (ii) all fees as outlined in Schedule A of this Agreement; plus

- (iii) any fees charged to Exchange by the applicable pipeline operator for the Title Transfers ~~or Name Change Nomination, as applicable,~~ pertaining to the delivery of gas under all such Physically Settled Gas Futures Transactions; plus
- (iv) any applicable taxes pursuant to Article 7 of this Agreement.

#### 14. Interpretation

- b. Time ~~—~~ Unless otherwise specified, all times referred to herein are to Central Standard Time ("CST").
- c. Currency ~~—~~ The currency of all amounts of money referred to herein for each Delivery Point are as outlined in the ICE NGX Product List.
- d. Interpretation ~~—~~ Capitalized words and phrases used in this Schedule and not defined in this Schedule will have the same meaning as set forth in this Agreement.

#### 15. Definitions

"AB-NIT Delivery Point" means a notional point in Alberta where gas on the TCPL Alberta System can be transferred between TCPL customer accounts utilizing title transfers;

"Alliance" means Alliance Pipeline Limited Partnership;

"Alliance APC-ATP Delivery Point" means Alliance's transfer pool;

~~"Alliance Customer Activities Website" means the website provided by Alliance to its customers in order to facilitate nomination entry;~~

"Alliance Pipeline" means the gas pipeline operated by Alliance in the Provinces of Alberta, British Columbia and Saskatchewan;

"Basis Products" and "Basis Physical Transactions", respectively, means those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions where the formula for the calculation of the Purchase Price is determined at the time of entering into the Physically Settled Gas Futures Transaction and is based on the Henry Futures Settlement Price;

"CGPR" means Canadian Gas Price Reporter, published by Enerdata Ltd., or its successor;

"Chippawa Delivery Point" or "TCPL Chippawa Delivery Point" means the interconnection between TCPL Canadian Mainline System and Empire near Chippawa, Ontario;

"Duke" means Duke Energy Gas Transmission;

"Duke BC Pipeline" means the gas pipeline operated by Duke in the Province of British Columbia, formerly called the Westcoast Energy Inc. Pipeline;

"Duke Terms and Conditions" means the General Terms and Conditions of the Westcoast Energy Inc. Pipeline Tariff as amended, restated or replaced from time to time;

"Eastern Canada Delivery Points" collectively, means the TCPL Chippawa Delivery Point, TCPL Niagara Delivery Point, TCPL Iroquois Delivery Point, TCPL North Bay Junction, TCPL Energir EDA Delivery Point, TCPL Enbridge EDA Delivery Point, TCPL Enbridge CDA Delivery Point, TCPL East Hereford Delivery Point, TCPL St. Clair Delivery Point and the TCPL Emerson Great Lakes Delivery Point;

"Emerson Great Lakes Delivery Point" or "TCPL Emerson Great Lakes Delivery Point" means the interconnection between TCPL Canadian Mainline System and Great Lakes near Emerson, Manitoba;

"Empire" means Empire State Pipeline Company;

"Empress Delivery Point" means the interconnection between the TCPL Alberta System and the TCPL Canadian Mainline System at Empress, Alberta;

"Enbridge System" means the natural gas distribution service operated by Enbridge Gas Distribution in the Greater Toronto Area, the Niagara Peninsula, Barrie, Midland, Peterborough, Brockville, Ottawa, Gatineau, and other Ontario communities;

"Energir System" means the pipeline system operated by Energir L.P.;

"Fixed Price Products" and "Fixed Price Physical Transactions" means those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions where the Purchase Price is fixed at the time of entering into the Fixed Price Physically Settled Gas Futures Transaction;

~~"Gas Daily" means a publication entitled Platts Gas Daily published by Platts, a division of The McGraw-Hill Companies, Inc.;~~

"Gas Day" means a period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time;

"Gas Spread Product" means a Physically Settled Gas Futures Product designated as an FP Spread or BS Spread in the ICE NGX Product List, and available on the ICE NGX Trading System or the ICE NGX Clearing System, that allows for the simultaneous entering into as Buyer on the one hand and Seller on the other of two Physically Settled Gas Futures Transactions at two different Delivery Points or during two different time periods;

"Gas Spread Transaction" means a transaction for the purchase or sale of a Gas Spread Product, the terms of which shall include this Agreement and for greater certainty also includes the particulars applicable to such Gas Spread Product as set forth in the ICE NGX Product List and Schedule F;

"GigaJoule" or "GJ" means 1,000,000,000 (10<sup>9</sup>) Joules;

"Great Lakes" means Great Lakes Transmission Company;

"Henry Futures Settlement Price" is defined in the ICE NGX Price Index Methodology Guide;

"ICE NGX AB-NIT Day Ahead Index" means, for gas delivered for the ICE NGX AB-NIT Day Ahead Product, as defined in the ICE NGX Product List, the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;

"ICE NGX AB-NIT Month Ahead Index (7A)" means, for gas delivered during the delivery Month for all ICE NGX AB-NIT Month Ahead Products, the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;

"ICE NGX AB-NIT Month Ahead Products" and "ICE NGX AB-NIT Month Ahead Transactions" are those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into an ICE NGX AB-NIT Month Ahead Physically Settled Gas Futures Transaction and is based on the ICE NGX AB-NIT Month Ahead Index (7A);

"ICE NGX AB-NIT Same Day Index (2A)" means, for gas delivered under all Daily Index 2A Physically Settled Gas Futures Transactions, the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;

"ICE NGX AB-NIT Same Day Index 2A Product" and "ICE NGX AB-NIT Same Day Index 2A Transactions" means those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions, where the formula for calculation of the Purchase Price is determined at the time of entering into an ICE NGX AB-NIT Same Day Index 2A Transaction and is based on the ICE NGX AB-NIT Same Day Index (2A);

"ICE NGX AB-NIT Same Day Index (4A)" means, for gas delivered for the Daily Index 4A Physically Settled Gas Futures Transaction, the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;

"ICE NGX AB-NIT Same Day Index 4A Product" and "ICE NGX AB-NIT Same Day Index 4A Transaction" means those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into an ICE NGX AB-NIT Same Day Index 4A Transaction and is based on the ICE NGX AB-NIT Same Day Index (4A);

"ICE NGX AB-NIT Same Day Index (5A)" means, for gas delivered for the Daily Index 5A Physically Settled Gas Futures Transactions, the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;

"ICE NGX AB-NIT Same Day Index (5A) in the US" means, for gas delivered for the Daily Index 5A US Physically Settled Gas Futures Transactions, the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;

"ICE NGX AB-NIT Same Day Index 5A Product" and "ICE NGX AB-NIT Same Day Index 5A Transaction" means those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into an ICE NGX AB-NIT Same Day Index 5A Transaction and is based on the ICE NGX AB-NIT Same Day Index (5A);

"ICE NGX AB-NIT Same Day Index 5A US Product" and "ICE NGX AB-NIT Same Day Index 5A US Transaction" means those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions where the formula for calculation of the Purchase Price is determined at the time of entering into an ICE NGX AB-NIT Same Day Index 5A US Transaction and is based on the ICE NGX AB-NIT Same Day Index (5A) in the US;

"ICE NGX Enbridge Station #2 Month Ahead Index" means, for gas delivered during the delivery Month for all ICE NGX Enbridge Station #2 Month Ahead Products, the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;

"ICE NGX Index Methodology Guide" means a document published by Exchange on Exchange's Website that provides descriptions of methodology for determining and definitions of price indices;

"ICE NGX Spectra Station #2 Day Ahead Index" means the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published on each Business Day on Exchange's Website;

"ICE NGX Union-Dawn Day Ahead Index" means the daily weighted average price the average price as determined by Exchange in accordance with the ICE NGX Price Index Methodology Guide and published each Business Day on Exchange's Website;



"IGTS" means Iroquois Gas Transmission Company;

"Index Products" and "Index Physical Transactions", respectively, means those Physically Settled Gas Futures Products and Physically Settled Gas Futures Transactions where the formula for the calculation of the price of gas is determined at the time of entering into the Physically Settled Gas Futures Transaction and is based on the ICE NGX Union-Dawn Day Ahead Index;

"Iroquois Delivery Point" or "TCPL Iroquois Delivery Point" means the interconnection between TCPL Canadian Mainline System and IGTS, also referred to as Waddington;

"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;

"Location Products" means those Physically Settled Gas Futures Products where the formula for calculation of the Purchase Price is determined at the time of entering into a Physically Settled Gas Futures Transaction and is based on the Henry Futures Settlement Price;

"MMBtu" means 1,000,000 (10<sup>6</sup>) British thermal units;

"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;

"MPT" means Mountain Prevailing Time;

~~"MTT" means TCPL Multiple Title Transfer account as defined in the TCPL Terms and Conditions;~~

"NAESB Timely Nomination Deadline" means timely nomination deadline set out by the North American Energy Standards Board, which may be revised from time to time;

~~"Name Change Nomination" means a nomination for the transfer of gas as defined in the applicable pipelines services contract;~~

"Niagara Delivery Point" or "TCPL Niagara Delivery Point" means the interconnection between TCPL Canadian Mainline System and TGP near Niagara Falls, Ontario;

~~"Nomination" means a request in electronic or other written form for gas to flow as defined in the Ateo Pipelines Agreement;~~

"Northwest Pipeline System" means the gas pipeline operated by Northwest Pipeline Corporation which interconnects with the Duke BC Pipeline;

~~"NRG Highway" means the online nomination system operated by TCPL;~~

"PNGTS" means Portland Natural Gas Transmission System;

~~"Settlement Price" has the meaning ascribed thereto in the Terms and Conditions;~~

"Spectra Delivery Points" collectively, means the Spectra Huntingdon Delivery Point and the Spectra Station #2 Delivery Point/Enbridge Station #2 Delivery Point;

"Spectra Huntingdon Delivery Point" means a location on the Duke BC Pipeline near the interconnection with Northwest Pipeline System, referred to as the Huntingdon Pool in the Duke Terms and Conditions;



"Spectra Station #2 Delivery Point" means a location on the Duke BC Pipeline at Compressor Station No. 2 near Chetwynd, British Columbia and "Enbridge Station #2 Delivery Point" means the same location with the successor name;

"Spot Day" means the next Gas Day;

"St. Clair Delivery Point" or "TCPL St. Clair Delivery Point" means a location on the TCPL Canadian Mainline System near St. Clair, Ontario and as defined in the TCPL Canadian Mainline Gas Transportation Tariff;

"TCPL" means TransCanada Pipelines Limited;

"TCPL Alberta System" means TCPL's intraprovincial pipeline system located in Alberta, formerly known as NOVA Gas Transmission Ltd.;

"TCPL Canadian Mainline System" means TCPL's interprovincial pipeline system;

"TCPL East Hereford" means a delivery point on the TCPL Mainline System that is an interconnection with PNGTS and as defined in the TCPL Canadian Mainline Gas Transportation Tariff;

"TCPL Enbridge CDA Delivery Point" means the interconnection between TCPL Mainline System and the Enbridge System for the Central Delivery Area of the Enbridge System and as defined in the TCPL Canadian Mainline Gas Transportation Tariff;

"TCPL Enbridge EDA Delivery Point" means the interconnection between TCPL Canadian Mainline System and Enbridge System for the Eastern Delivery Area of the Enbridge System and as defined in the TCPL Canadian Mainline Gas Transportation Tariff;

"TCPL Energir EDA Delivery Point" means the interconnection between TCPL Canadian Mainline System and the Energir System and as defined in the TCPL Canadian Mainline Gas Transportation Tariff;

"TCPL North Bay Junction Delivery Point" means a location on the TCPL Canadian Mainline System near North Bay, Ontario and as defined in the TCPL Canadian Mainline Gas Transportation Tariff;

"TCPL Terms and Conditions" means the General Terms and Conditions of the Gas Transportation Tariff of TCPL Alberta System;

"TEP Delivery Point" means TransGas Transfer Point 3602 for Title Transfers;

"TeraJoule" or "TJ" means 1,000,000,000,000 (10<sup>12</sup>) Joules and is equal to 1,000 GJ;

"TGP" means Tennessee Gas Pipeline Company;

~~"Title Transfer" means the notification of inventory transfers sent to either Alliance or TCPL directing Alliance or TCPL to transfer gas between a Contracting Party's account and Exchange's account;~~

~~"Title Transfer Nominations" means the a nomination for the transfer of gas as defined in the applicable Delivery Point Operator's Tariff as outlined in the ICE NGX Product List, including where referred to in the Delivery Point Operator's Tariff as a name change nomination, imbalance trades nomination, inventory transfer nomination or other term into or from MTT account as defined in the TCPL Terms and Conditions;~~

~~"Tariff" means, for a Delivery Point, the terms and conditions of the applicable Transportation System or Delivery Point Operator for the transport or shipment of gas and, for greater certainty, includes the Duke Terms and Conditions, the TCPL Terms and Conditions and the Union General Terms;~~

"TransGas" means TransGas Limited;

"Union" means Union Gas Limited;

"Union-Dawn Delivery Point" means the Union's Compressor Station site situated in the northwest corner of Lot 25, Concession II in the Township of Dawn in the County of Lambton;

"Union General Terms" means the General Terms & Conditions of the Rate Schedules of Union as amended, restated or replaced from time to time; ~~and~~

"Union Parkway Delivery Point" means the junction of Union's and TCPL's facilities, at or adjacent to Union's facilities situated in Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton; ~~and~~

~~"Union Services Contract" means the Interruptible Service Delivery Point Contract between Union and each of the Contracting Parties, which includes the provision by Union of the Name Change Service.~~

## **16. Appointment of Agent**

The Contracting Party will execute a waiver with TCPL appointing Exchange as agent for all natural gas nominations on the Contracting Party's behalf on the TCPL Alberta System.