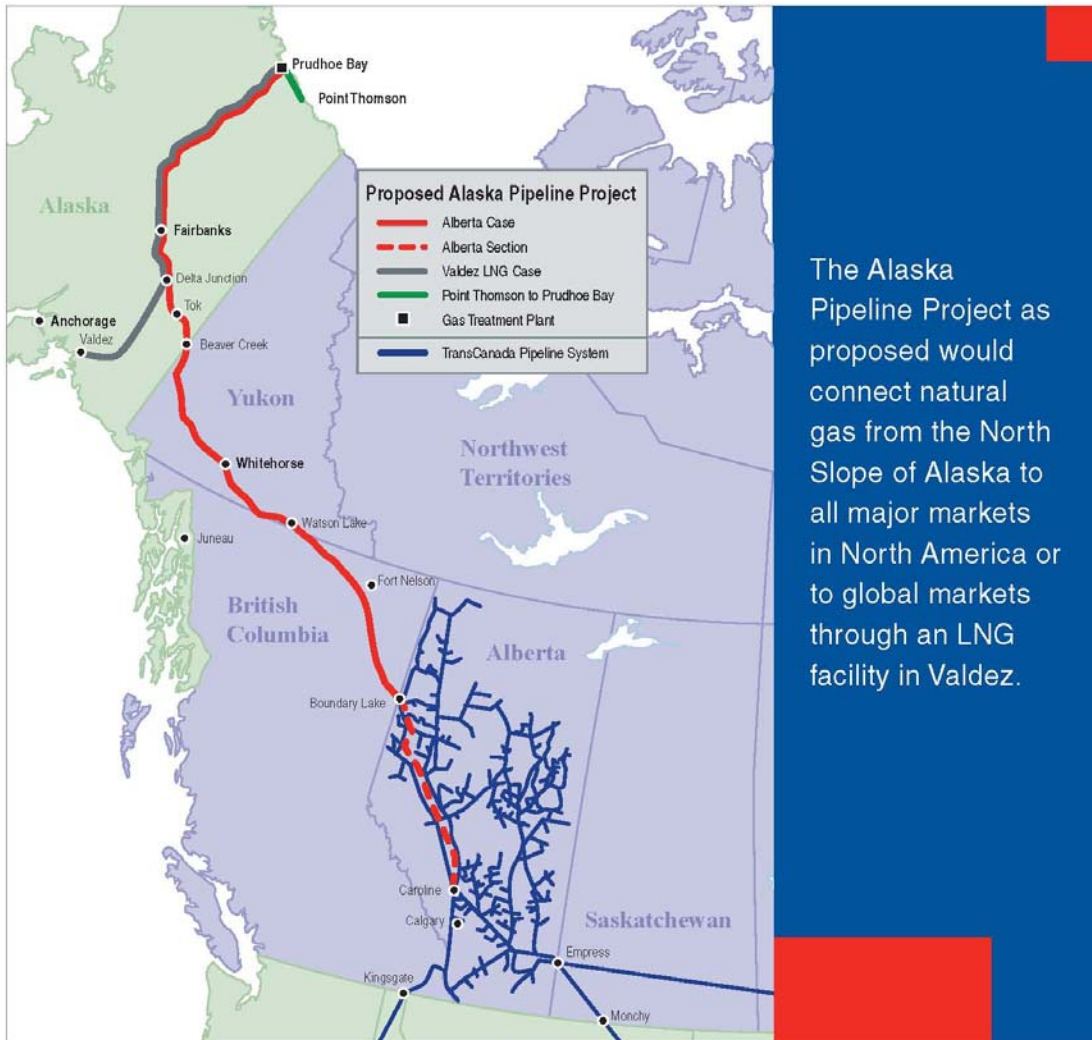


# ALASKA Pipeline Project



The Alaska Pipeline Project as proposed would connect natural gas from the North Slope of Alaska to all major markets in North America or to global markets through an LNG facility in Valdez.



**Open Season Notice**  
**April 30, 2010 – July 30, 2010**

# THE ALASKA PIPELINE PROJECT OPEN SEASON NOTICE FOR NEW INTERSTATE NATURAL GAS PIPELINE CAPACITY

## Notice

TransCanada Alaska Company, LLC (“TC Alaska”) will conduct a binding Open Season for the U.S. portion of a new interstate natural gas pipeline system, beginning at 8:00 a.m. CDT on Friday April 30, 2010 and ending on Friday, July 30, 2010 at 5:00 p.m. CDT.

This Open Season is being held to solicit the submission and execution of binding Precedent Agreements (the form of which is attached hereto as Appendix A) for firm interstate natural gas transportation service and optional firm gas treatment service provided by TC Alaska’s Alaska Pipeline Project (“APP” or “Project”). This Open Season is being conducted in accordance with the Federal Energy Regulatory Commission (“FERC”) Regulations governing Open Seasons for Alaska Natural Gas Transportation Projects, 18 C.F.R. §157.30 - §157.38, and will provide a non-discriminatory means of awarding capacity to bidders, provided APP receives bids that conform to its requirements and APP decides to proceed with the Project, pursuant to the terms of this Open Season. In accordance with 18 C.F.R. §157.34(b) and §157.34(c), attached hereto are the State of Alaska endorsed *In-State Needs Study* (Appendix B) and the 21 informational elements specified by FERC to be provided in the Open Season Notice (Appendix C).

## Background

The Alaska Pipeline Project is a world-class undertaking in all of its aspects. Once completed, the Project will allow for transportation of natural gas from Alaska’s North Slope to markets in Alaska, Canada and the lower 48 States or to global markets via an alternative liquefied natural gas (“LNG”) project. The North Slope of Alaska holds approximately 35 trillion cubic feet (“Tcf”) of currently proven natural gas reserves, and it is estimated that another 100 to 200 Tcf ultimately could be discovered.

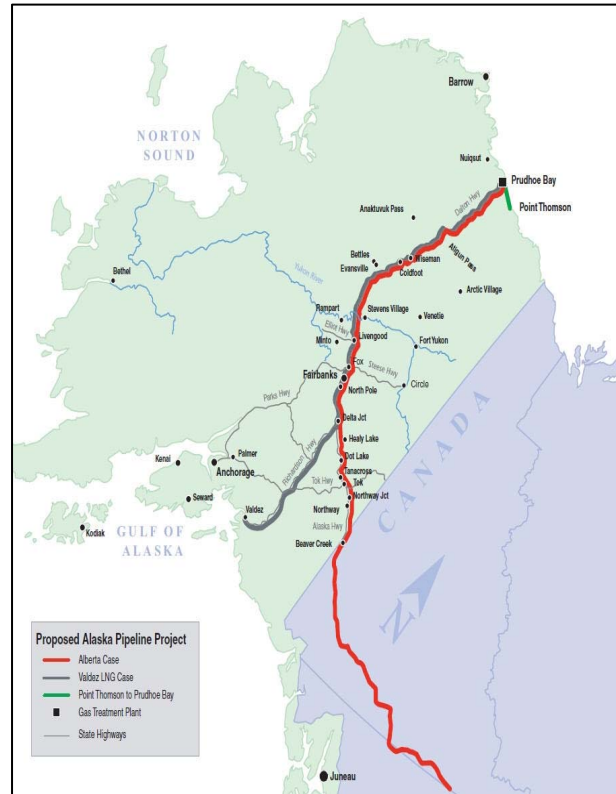
The Project is being jointly advanced on behalf of TC Alaska by affiliates of TransCanada Corporation (“TransCanada”) and Exxon Mobil Corporation (“ExxonMobil”) (collectively, the “APP Parties”). The APP Parties and their respective affiliates (generally TransCanada and ExxonMobil) bring substantial financial strength to the Project and are uniquely situated to efficiently and effectively advance the Project’s development. TransCanada has extensive North American pipeline construction experience, particularly in cold weather environments, and operates pipeline networks across Canada and in the U.S. TransCanada also holds the certificates and right-of-way in the Yukon Territory under the Northern Pipeline Act, and has proven expertise in efficiently advancing pipeline projects through the regulatory process, construction and operation. ExxonMobil has proven global mega-project management experience and a long history of Arctic project successes and technological innovations. ExxonMobil has repeatedly demonstrated its ability to deliver world-class projects on time and within budget, and has proven expertise in innovative gas treatment, pipeline and compression technologies.

## Project Description

APP proposes to design, permit and construct a new natural gas pipeline system, subject to regulation by the FERC, beginning near Point Thomson and extending through Alaska over one of two alternative routes.

One route would extend from Point Thomson through points near Prudhoe Bay, Fairbanks, and Delta Junction and then to the Alaska-Canada border (“Alaska-Canada Pipeline”), where the pipeline would interconnect to a new pipeline that APP plans to design, permit and construct (“Canadian Pipeline”).

The proposed Canadian Pipeline would extend to an interconnection point with the Alberta Hub or other existing off-take capacity at or near the British Columbia/Alberta border, providing the capability of transporting natural gas to North American markets, including the contiguous United States. The Open Season described in this Notice is being conducted as part of a broader open season process under which APP is also separately soliciting shipper bids for capacity on the Canadian Pipeline.



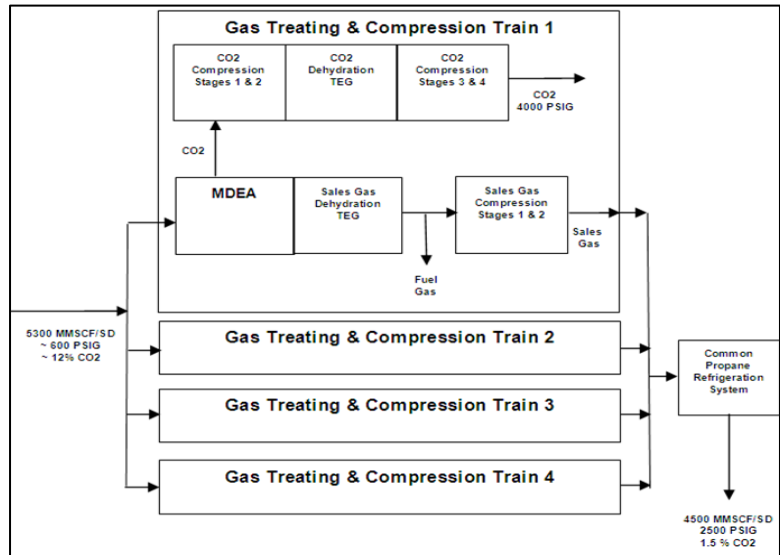
An alternative pipeline route would extend from the outlet of the Point Thomson plant through points near Prudhoe Bay, Fairbanks, Delta Junction and then to an interconnection point with a third-party LNG terminal near Valdez, Alaska (“Valdez Pipeline”). From Valdez, LNG cargoes could potentially access markets around the globe.

In either the Alaska-Canada Pipeline or the Valdez Pipeline alternative, a minimum of five delivery points will be made available in Alaska on a firm or interruptible basis to all shippers.

- The gas transmission pipeline segment between the outlet of the Point Thomson plant and the GTP (defined below) consists of a single 32-inch pipeline, a distance of approximately 58 miles, with no compression. The base-case capacity of this segment has been set at 1.1 Bcf/d (expandable with compression) with an operating pressure of approximately 1030 psi at the Point Thomson receipt point.
- The Alaska-Canada Pipeline gas transmission segment between the GTP and the Canadian border consists of a single 48-inch pipeline, a distance of approximately 734 miles, and six compressor stations. The base-case capacity of this segment has been set at 4.5 Bcf/d (expandable to 5.9 Bcf/d with additional compression) with an operating pressure of approximately 2500 psi along the entire route of this segment.
- The Valdez Pipeline gas transmission segment between the GTP and the LNG terminal facilities near Valdez consists of a single 48-inch pipeline, a distance of approximately 803

miles, and two compressor stations. The base-case capacity of this segment has been set at 3.0 Bcf/d (expandable with additional compression) with an operating pressure of approximately 900 psi at the Valdez LNG delivery point.

APP proposes to design, permit and construct a new gas treatment plant (“GTP”) as an integral component of the APP’s facilities and also subject to FERC regulation, located near Prudhoe Bay and operating in conjunction with either the Alaska-Canada Pipeline or the Valdez Pipeline. Shippers on APP’s gas transmission pipeline will not be required to have their gas treated at the GTP, but shippers will be required to meet the gas quality specifications in TC Alaska’s FERC Gas Tariff.



- The current GTP design for the Alaska-Canada Pipeline alternative is to treat approximately 5.3 Bcf/d of inlet gas, distributed to four trains, and deliver approximately 4.5 Bcf/d of pipeline quality gas with a CO<sub>2</sub> limit between 1.5% and 2%, remove approximately 0.6 Bcf/d of acid gas, and consume approximately 0.2 Bcf/d of fuel gas.
- The current GTP design for the Valdez Pipeline alternative is to treat approximately 3.6 Bcf/d of inlet gas, distributed to three trains, and deliver approximately 3.0 Bcf/d of pipeline quality gas with a CO<sub>2</sub> limit of ≤50 ppm, remove 0.44 Bcf/d of acid gas, and consume approximately 0.17 Bcf/d of fuel gas.
- The GTP will be designed for an inlet pressure of 600 psi and can be expanded to treat additional gas.
- The GTP’s operation will be phased in.
- Shipper will be responsible for disposition of acid gas removed and returned to shipper. APP is willing to consider providing to shippers an acid gas disposal service.

The Alaska-Canada Pipeline and the Valdez Pipeline are alternative proposals. Depending on customer interest as evidenced in the Open Season, APP will proceed with either the Alaska-Canada Pipeline or the Valdez Pipeline, but not both.

## Cost Range & Projected Timing

The APP Parties have undertaken an extensive effort to update cost and schedule estimates for the Project. These updated estimates conform to Association for the Advancement of Cost Engineering International (“AACEI”) Class IV standards.

The overall cost estimate range in 2009 U.S. dollars is from \$32 billion to \$41 billion for the combined Alaska-Canada Pipeline and Canadian Pipeline and from \$20 billion to \$26 billion for the Valdez Pipeline. The estimated in-service date for both options is 2020 for initial gas and 2021 for full gas. It is normal practice to quote a range of cost estimates at this early stage of Project development to reflect inherent uncertainties and risks. APP is presenting to potential customers a credible estimate that can be used for their assessments and decisions.

As further described in the Precedent Agreement, a shipper executing a Precedent Agreement will bear a portion of project development costs in certain circumstances in which the shipper breaches the Agreement or exercises certain rights not to enter a firm transportation service agreement, or in which the APP Parties determine not to proceed with the Project.

## **Rates & Fuel**

Recourse rates and negotiated rates are being offered in this Open Season. The principles for calculating the negotiated rates are shown in Exhibit A to the Precedent Agreement. Estimated ranges for negotiated and recourse rates and fuel percentages for firm gas transportation and firm gas treatment services are shown in Table 1 attached to this Open Season Notice. A shipper will be required to provide its proportionate share of actual Fuel and Lost and Unaccounted for Gas ("Fuel") at the receipt point. The amount of Fuel will be calculated based on the transmission path of the gas from the receipt point to the ultimate delivery point either in Alaska or Canada.

Based on the cost range set forth above, the estimated rate range for a 25-year negotiated rate from Prudhoe Bay to Alberta is \$3.02 - \$3.89 per MMBtu in nominal U.S. dollars or \$2.43 - \$3.13 per MMBtu in 2009 U.S. dollars and from Prudhoe Bay to Valdez is \$2.76 - \$3.59 per MMBtu in nominal U.S. dollars or \$2.22 - \$2.89 per MMBtu in 2009 U.S. dollars. These rate ranges include the cost of treating gas at the GTP.

## **Foundation Shippers**

Shippers that make commitments to use capacity of at least 200,000 MMBtu/day on either the Alaska-Canada Pipeline or the Valdez Pipeline will be considered Foundation Shippers. Bids from multiple affiliates will be aggregated in determining whether a bidder will be considered a Foundation Shipper.

Due to the requirements to finance a project of this magnitude, Foundation Shippers will be subject to a more stringent creditworthiness standard as stated in Exhibit B of the Precedent Agreement.

Under the terms of the Precedent Agreement, Foundation Shippers will be provided certain rights including:

- The right to elect the same negotiated rate principles, in their entirety, as offered to and accepted by any other shipper, prior to the commencement of service;
- The right to sell to TC Alaska a pro rata portion of the initial line fill requirements at a mutually agreed price; and

- A one-time termination right exercisable within 30 days after receiving notice from APP that TC Alaska has accepted the final FERC certificate of public convenience and necessity. Foundation Shippers exercising this termination right will be required to reimburse the APP Parties for Project development costs, as specified in more detail in the Precedent Agreement.

## **Creditworthiness Standard**

Shippers will be required to meet the creditworthiness standard as stipulated in Exhibit B to the Precedent Agreement.

## **Conforming Bid Requirements**

A conforming bid for this Open Season shall consist of the following:

- A Precedent Agreement executed by an authorized representative of the bidding company for either or both of the Alaska-Canada Pipeline or the Valdez Pipeline in the form included in Appendix A to this Open Season Notice.
- A completed Exhibit A, including the following:
  - The Maximum Daily Quantity (“MDQ”) and optional Maximum Treatment Quantity (“MTQ”), exclusive of Fuel, by requested primary receipt and delivery point(s)
  - Election of recourse rates or negotiated rates
  - Primary term of 20-25, 30 or 35 years for shippers selecting negotiated rates and 25 years for shippers selecting recourse rates
- Each bidder must return the completed Precedent Agreement before the end of the Open Season to APP at the address specified in the Precedent Agreement Submittal section of this Open Season Notice.

APP reserves the right to reject any bid that does not conform to the requirements stated above.

## **Additional Guidance**

The following additional guidance should be followed by parties submitting bids:

- The negotiated rate principles in the Precedent Agreement available through this Open Season will be valid through the entire initial term and the contract renewal term of any firm transportation service agreement resulting from this Open Season.
- The recourse rates will be subject to the maximum applicable rates established in TC Alaska’s FERC Gas Tariff, as may be modified from time-to-time.
- In addition to paying a recourse rate or a negotiated rate, shippers (i) will be charged a commodity or usage charge to cover costs which may vary with volumes actually shipped,

and (ii) will be responsible for providing Fuel, subject to adjustment via an authorized Fuel tariff tracking mechanism.

- An Annual Charge Adjustment (“ACA”), a Change in Law/Tax/Regulation Surcharge, and any additional authorized surcharges that become generally applicable under TC Alaska’s FERC Gas Tariff shall also be charged to shippers under both the recourse rates and the negotiated rates options.
- The Precedent Agreement contains two versions of Exhibit A, one reflecting the Project constructed with the Valdez Pipeline and the other reflecting the Project constructed with the Alaska-Canada Pipeline. Shippers should complete one or both versions of Exhibit A using the assumption that the particular pipeline option set forth in that version is the only line constructed.
- Shippers may propose additional points for the receipt of gas by the pipeline downstream of the GTP, provided that the gas conforms to the Project’s quality specifications, and that the shipper is responsible for the cost of upstream facilities related to the delivery of gas to the APP pipeline.
- The inclusion of conditions precedent (“CPs”) shall not render a bid non-conforming.

## **Withdrawal of Bids**

Bids received in this Open Season may be withdrawn prior to the conclusion of the Open Season upon written notification at the address specified below. Bidders may submit a bid to replace a withdrawn bid at any time prior to the close of the Open Season.

## **Initial Notification**

Within five business days after the close of the Open Season, APP will notify each bidder whether they have submitted a conforming bid and will provide a written explanation to those bidders whose bids have been rejected as non-conforming.

## **Route Selection and Allocation of Capacity**

Shippers who submit conforming bids will be notified by September 1, 2010, of the following:

- Whether APP will proceed to seek to design, permit and construct the Alaska-Canada Pipeline and GTP, or will proceed to seek to design, permit and construct the Valdez Pipeline and GTP and the total aggregated capacity from conforming bids for the selected route. Upon shippers’ receipt of such notification, the shipper’s service elections on Exhibit A to the Precedent Agreement with respect to the pipeline alternative that is not selected for development are thereafter without effect and are not enforceable by the shipper or by TC Alaska.
- The APP Parties intend to design the Project within certain economic and engineering design increments, to accommodate all capacity requests on a not unduly discriminatory basis from conforming bids received during the Open Season. However, in the event conforming bids received during the Open Season exceed the design capacity determined

by APP, APP reserves the right to reduce the bidders' MDQs and MTQs indicated on Exhibit A to the Precedent Agreements pro rata, based solely on each bidder's proportion of the total quantity of firm transportation capacity and firm treatment capacity reflected in conforming bids received by APP, without regard to whether a shipper would qualify as a Foundation Shipper, has selected recourse rates or negotiated rates, or has specified in-state or export deliveries. In the event that a bidder's transportation MDQ downstream of the GTP is reduced, as stated above, the bidder's MTQ will be reduced by a corresponding amount. In the event that a bidder's MTQ is reduced, as stated above, the bidder's transportation MDQ downstream of the GTP will be reduced by a corresponding amount. Bidders will have 30 days to either accept or reject such allocated quantity of capacity. If one or more bidders reject a reduced quantity of capacity, the original capacity requests of the remaining bidders may be restored.

## **Impact of Capacity Commitments**

On or before October 31, 2010, APP will notify conforming bidders of the impact on the Project of the total aggregated capacity from conforming bids for the selected route.

## **Bidder Conditions Precedent**

APP recognizes that bidders may desire to include certain CPs to their bids and bidders will be allowed to negotiate CPs acceptable to the APP Parties prior to, during and after the close of Open Season. APP reserves the right to reject, on a not unduly discriminatory basis, a conforming bid that includes CPs or modifications to the Precedent Agreement that are unacceptable to the APP Parties. At that time, APP will notify any bidder whose bid is rejected and provide a written explanation for the rejection.

## **Final Notification**

On or before November 30, 2010, APP will provide conforming bidders with the final version of the Precedent Agreement.

## **Execution and Approval of Precedent Agreement**

Following the final notification and following APP Parties approval of each successful bidder's written evidence of creditworthiness, as stipulated in Exhibit B to the Precedent Agreement, each bidder shall execute the final version of the binding Precedent Agreement and secure all board approvals and internal authorizations necessary to undertake the obligations required by the Precedent Agreement by no later than December 31, 2010.

Within 30 days of receiving notification of the last of the board approvals and other necessary internal authorizations, and confirmation of execution of the final version of the Precedent Agreement, from all successful bidders, the APP Parties shall secure all board approvals and internal authorizations necessary to undertake the obligations required by the Precedent Agreements and will execute Precedent Agreements. Precedent Agreements shall not become binding until after the bidder, TC Alaska, and the APP Parties have secured all board approvals and internal authorizations necessary to undertake the obligations required by the Precedent Agreement, and the bidder and TC Alaska have executed the Precedent Agreement.

The Precedent Agreement will bind the bidder to execute a firm transportation service agreement (“FTSA”) before Project construction commences, and will condition the provision of service on satisfaction or express waiver of the transporter conditions precedent stipulated in the Precedent Agreement.

Within ten days after all Precedent Agreements have become binding, APP will make public the names of the prospective shippers, amounts of capacity awarded, and the terms of the agreements.

Within twenty days after all Precedent Agreements become binding, APP will submit copies of all such Precedent Agreements to the FERC, together with copies of any relevant correspondence with bidders who were not allocated capacity explaining why such bids were not accepted. APP reserves the right to submit such information to the FERC in confidence.

## **Reservation of Rights**

APP reserves the right, on a not unduly discriminatory basis, to delay any of the foregoing notifications if it determines, in its sole discretion, that commercial circumstances justify a later notification. The APP Parties also reserve the right, on a not unduly discriminatory basis, to reject any bid that does not conform to the requirements for bids in this Open Season. Further, the APP Parties reserve the right to withdraw this solicitation of offers to subscribe for firm service on the pipeline system if the APP Parties determine, in their sole discretion, that providing service as requested in the bids received would render the proposed construction not economically feasible.

This Open Season filing and the Project as described herein, including the cost, schedule and expenditure estimates, is conditioned on the timely execution of Precedent Agreements and the timely satisfaction of the CPs outside the control of APP, in each case, in a form acceptable to APP.

## **Precedent Agreement Submittal**

Interested bidders should submit two complete originals of Precedent Agreements by registered or certified mail, courier, or hand delivery at any time during the Open Season to:

**Alaska Pipeline Project  
Open Season Bid Submittal  
Attention: Commercial Manager  
16945 Northchase Drive  
GP4 – 430  
Houston, TX 77060**

All material received will be time and date-stamped and opened at the conclusion of the Open Season.

Please direct any questions or requests you may have concerning this Open Season to:

Mr. Paul Pike, Senior Project Manager, (281) 654-4206, paul.j.pike@exxonmobil.com  
Mr. Marty Heeg, Commercial Manager, (281) 654-6232, marty\_heeg@transcanada.com  
Mr. James Morse, Law Manager, (281) 654-3346, james.morse@exxonmobil.com

## Additional Information

More detail regarding the Alaska Pipeline Project and this Open Season offering, in the form required by 18 C.F.R. § 157.34 (c), is provided in Appendix C hereto. In addition, attached as Exhibit I to Appendix C is an indicative FERC Gas Tariff. Such indicative tariff is subject to further revision and FERC approval as part of TC Alaska's application to FERC for a certificate of public convenience and necessity.

Additional information regarding this Open Season may be obtained from the APP website at [www.thealaskapipelineproject.com](http://www.thealaskapipelineproject.com) or by visiting an APP data room through the conclusion of the Open Season at the locations listed below:

- Houston, Texas – Main data room containing all required project information in electronic format or hard copy.
- Anchorage, Alaska – Adjunct data room containing all required information available in electronic format.
- Whitehorse, Yukon – Adjunct data room containing all required information available in electronic format.
- Calgary, Alberta – Adjunct data room containing all required information available in electronic format.

Due to the commercially and competitively sensitive nature of the information, all information contained in the data rooms that is not in the public domain will be treated as confidential information. Any person wishing access to such confidential information will be required to sign a confidentiality undertaking in the form attached hereto as Appendix C, Exhibit G, and to comply with the data room procedures, attached hereto as Appendix C, Exhibit H. The data rooms are set up as follows:

- All information in the public domain is accessible through APP's website, [www.thealaskapipelineproject.com](http://www.thealaskapipelineproject.com), and available for review by anyone interested in accessing that data.
- Data contained in the physical data rooms are classified into three levels of confidentiality.
  - The first level ("Tier 1") contains confidential Project information, not in the public domain, but which is of relatively lower commercial and competitive risk to the Project. All interested stakeholders granted access to the data rooms will have access to Tier 1 data.
  - The second level ("Tier 2") contains high risk, commercially sensitive data, such as Project component cost projections, land access cost projections and the like. Such information will be made available only to potential shippers and regulatory agencies with Project oversight responsibilities.

- In addition, certain information (“Tier 3”) contained in the data rooms is subject to third party confidentiality restrictions. Anyone seeking access to Tier 3 data will need to secure a release from such third parties in order to view such Tier 3 data.

To arrange a visit, please send an email or fax at least seven (7) days prior to the requested visit date to:

The Data Room Coordinator  
Email: [betty.j.parks@exxonmobil.com](mailto:betty.j.parks@exxonmobil.com)  
Fax: 262-314-3342

- The request should clearly indicate the following information:
  - Requestor's name and company
  - Requestor's phone number and email address
  - Data Room location(s) access is being requested for
  - Date(s) and time(s) access is needed
  - Contact information for all the visitors the request is being made for (including names, phone numbers and email addresses)
  - Company or Party visitors are representing (if different from Requestor's)

APP reserves the right to allocate data room access on a first-come, first-served basis and further reserves the right to offer priority access to the data rooms to potential shippers.

## **Disclaimer**

These Open Season materials are provided for informational purposes to enable interested parties to express an interest in obtaining firm transportation service on the proposed facilities. However, the information contained herein, and information that is provided in response to questions or requests for information, establishes no contractual or other relationship between the APP Parties and any other party. Any contractual relationship resulting from this Open Season solicitation will be reflected in the Precedent Agreements.

**Table 1**  
**Cost/Rate Range & Fuel\***

Alaska-Canada Pipeline	Term (years)	Zone				Canada Section**	Total Capex Range	Total PBU-Alberta (Z2+Z3+CDN)	
		1 - Pt. Thomson	2 - GTP	3 - AK Section					
				In-State	Export				
Capex Range (\$2009B)	-	0.4 - 0.6	9.8 - 12.8	9.8 - 12.8		11.6 - 15.2	32 - 41	-	
Nominal - \$/MMBtu	Negotiated Rate Range	20	0.19 - 0.25	1.23 - 1.58	0.67 - 0.89	0.94 - 1.24	1.04 - 1.34	-	3.22 - 4.16
		21	0.19 - 0.25	1.22 - 1.55	0.66 - 0.87	0.93 - 1.22	1.03 - 1.32	-	3.17 - 4.09
		22	0.19 - 0.25	1.20 - 1.53	0.65 - 0.86	0.91 - 1.20	1.01 - 1.30	-	3.12 - 4.03
		23	0.19 - 0.24	1.18 - 1.51	0.64 - 0.85	0.90 - 1.18	1.00 - 1.29	-	3.08 - 3.98
		24	0.18 - 0.24	1.17 - 1.49	0.64 - 0.84	0.89 - 1.17	0.99 - 1.27	-	3.05 - 3.94
		25	0.18 - 0.24	1.16 - 1.48	0.63 - 0.83	0.88 - 1.16	0.98 - 1.26	-	3.02 - 3.89
		30***	0.18 - 0.24	1.15 - 1.47	0.63 - 0.83	0.88 - 1.15	0.98 - 1.26	-	3.01 - 3.88
		35***	0.18 - 0.24	1.15 - 1.47	0.63 - 0.83	0.88 - 1.15	0.98 - 1.26	-	3.00 - 3.88
Recourse Rate Range	25	0.28 - 0.37	1.89 - 2.46	0.96 - 1.27	1.35 - 1.78	1.26 - 1.65	-	4.50 - 5.88	
\$2009 - \$/MMBtu	Negotiated Rate Range	25	0.15 - 0.19	0.93 - 1.19	0.51 - 0.67	0.71 - 0.93	0.79 - 1.01	-	2.43 - 3.13
	Recourse Rate Range	25	0.22 - 0.30	1.52 - 1.98	0.77 - 1.02	1.08 - 1.43	1.01 - 1.33	-	3.62 - 4.73
Fuel	-	0.25%	4.50%	0.80%	1.00%	1.00%	-	6.50%	

Valdez Pipeline	Term (years)	Zone				Total Capex Range	Total PBU-Valdez (Z2+Z3)	
		1 - Pt. Thomson	2 - GTP	3 - AK Section				
				In-State	Export			
Capex Range (\$2009B)	-	0.5 - 0.6	8.6 - 11.2	10.7 - 14.0		20 - 26	-	
Nominal - \$/MMBtu	Negotiated Rate Range	20	0.19 - 0.25	1.54 - 1.97	1.24 - 1.64	1.42 - 1.88	-	2.97 - 3.86
		21	0.19 - 0.25	1.52 - 1.94	1.22 - 1.62	1.40 - 1.85	-	2.92 - 3.79
		22	0.18 - 0.24	1.49 - 1.91	1.20 - 1.59	1.38 - 1.82	-	2.87 - 3.74
		23	0.18 - 0.24	1.47 - 1.89	1.18 - 1.57	1.36 - 1.80	-	2.83 - 3.68
		24	0.18 - 0.24	1.45 - 1.86	1.17 - 1.55	1.34 - 1.77	-	2.79 - 3.64
		25	0.18 - 0.23	1.44 - 1.84	1.15 - 1.53	1.32 - 1.75	-	2.76 - 3.59
		30***	0.18 - 0.23	1.43 - 1.83	1.15 - 1.53	1.32 - 1.75	-	2.75 - 3.58
		35***	0.18 - 0.23	1.42 - 1.83	1.15 - 1.53	1.32 - 1.75	-	2.74 - 3.58
Recourse Rate Range	25	0.28 - 0.36	2.40 - 3.08	1.81 - 2.38	2.08 - 2.73	-	4.48 - 5.81	
\$2009 - \$/MMBtu	Negotiated Rate Range	25	0.14 - 0.19	1.16 - 1.48	0.93 - 1.23	1.06 - 1.41	-	2.22 - 2.89
	Recourse Rate Range	25	0.22 - 0.29	1.93 - 2.48	1.46 - 1.91	1.67 - 2.19	-	3.60 - 4.67
Fuel	-	0.25%	5.70%	0.40%	0.50%	-	6.20%	

\* Rate calculations are based on full design volume in first year. Detail Rate Design Schedules for Nominal Rates for U.S. facilities are included in Appendix C, Exhibits J and K. Numbers may not add due to rounding.

\*\* Canada Section for information purpose only. Rates subject to the National Energy Board of Canada and will be split into four zones.

\*\*\* 80% Capex recovered in first 25 years and remaining 20% Capex recovered in remaining term of contract.