

APPENDIX 5

Amendments to FortisBC Energy Inc. Rate Schedule 46 Liquefied Natural Gas Sales, Dispensing and Transportation Service Tariff

Rate Schedule 46 Reference Information and Amendments			
Section Number	Section Name	Existing Tariff Language	Amended Tariff Language
1.1 (p)	Definitions LNG Output	[new definition added]	<u>(p) LNG Output - means the total quantities of Gas delivered from the LNG Facilities either by vaporization of LNG or Dispensing of LNG.</u>
1.1 (w)	Definitions Process Fuel Gas	(w) Process Fuel Gas - means Gas consumed in the production of LNG at the LNG Facilities, which for 2013 and 2014 is deemed to be a quantity equal to 1% (one percent) of the LNG Dispensed to the Customer, but thereafter the percentage is to be updated annually based on the prior year's actual fuel gas consumption at the LNG Facilities.	(x) Process Fuel Gas – means: <u>(i) Gas consumed in the production of LNG at the LNG Facilities; and</u> <u>(ii) losses of Gas.</u> <u>Process Fuel Gas is deemed to be a quantity equal to 1% (one percent) of the LNG Dispensed to the Customer until and including the next annual rate update for this Rate Schedule after the Available LNG Capacity exceeds 20,000 Gigajoules per Day, but thereafter the Process Fuel Gas percentage will be updated annually based on the prior year's actual percentages of Gas consumed and losses of Gas at the LNG Facilities.</u>

Rate Schedule 46 Reference Information and Amendments			
Section Number	Section Name	Existing Tariff Language	Amended Tariff Language
8.4	Payment of Amounts	8.4 Payment of Amounts - The Customer will pay to FortisBC Energy all of the applicable charges set out in the Table of Charges for LNG Service and, if applicable, Table of Charges for LNG Transportation Service.	8.4 Payment of Amounts - The Customer will pay to FortisBC Energy all of the applicable charges set out in the Table of Charges for LNG Service and, if applicable, Table of Charges for LNG Transportation Service. <u>If the LNG Dispensed from the LNG Facilities is hauled to a Customer designated location and will be distributed at that location to more than one Customer, the applicable charges will be proportionately allocated among Customers based on the quantity of LNG distributed to each Customer.</u>
9.1	Requested Quantity and Loading Schedule	9.1 Requested Quantity and Loading Schedule - At least 24 hours in advance of the Day of the Customer's desired loading time, the Customer or its agent will provide FortisBC Energy by fax or email such information as may be requested by FortisBC Energy, which will include, but is not limited to, the Customer's requested quantity of LNG for the given Day.	9.1 Requested Quantity and Loading Schedule - At least ~~24~~ <u>48</u> hours in advance of the Day of the Customer's desired loading time, the Customer or its agent will provide FortisBC Energy by fax or email such information as may be requested by FortisBC Energy, which will include, but is not limited to, the Customer's requested quantity of LNG for the given Day. <u>(a) FortisBC Energy may charge a fee for loading LNG of \$150 per hour when loading takes in excess of two hours; and</u> <u>(b) If the Customer cancels a scheduled loading time with less than 12 hours notice, FortisBC Energy may charge a fee of \$500.</u>

Rate Schedule 46 Reference Information and Amendments			
Section Number	Section Name	Existing Tariff Language	Amended Tariff Language
12.2	Determination of Quantity	12.2 Determination of Quantity - The quantity of LNG Dispensed pursuant to this Rate Schedule shall be measured at the scale at the LNG Facilities or an alternate scale that is approved and certified by Measurement Canada. The Tanker or other cryogenic receptacle into which the LNG is Dispensed will be weighed at the scale before and after Dispensing. The measurement of the amount of LNG Dispensed shall be based on the difference, expressed in kilograms or pounds, of these two weights. In the event that the cryogenic receptacle cannot be weighed by the scale, then the quantity of LNG Dispensed shall be measured through the use of mass flow meters.	12.2 Determination of Quantity - The quantity of LNG Dispensed pursuant to this Rate Schedule shall be measured at the scale at the LNG Facilities or an alternate scale that is approved and certified by Measurement Canada. The Tanker or other cryogenic receptacle into which the LNG is Dispensed will be weighed at the scale before and after Dispensing. The measurement of the amount of LNG Dispensed shall be based on the difference, expressed in kilograms or pounds, of these two weights. In the event that the cryogenic receptacle cannot be weighed by the scale, then the quantity of LNG Dispensed shall be measured through the use of <u>mass flow meters other industry standard measuring methods and measuring equipment.</u>
15.3	Customer Indemnity	[new section 15.3 added]	<u>15.3 Customer Indemnity for LNG Transportation -</u> <u>Notwithstanding section 15.2, the Customer will indemnify and hold harmless FortisBC Energy, its employees, contractors and agents from all claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or out of the conduct of the Customer, its employees, contractors and agents where the Customer is responsible for providing a Tanker and movement of the Tanker from the LNG Facilities.</u>

Rate Schedule 46 Reference Information and Amendments			
Section Number	Section Name	Existing Tariff Language	Amended Tariff Language
Table of Charges	Table of Charges for LNG Transportation Service	[new Note 1 added]	Notes: <u>1. The charges set out in this Table of Charges are not applicable if the Tanker is used as both Dispensing equipment for LNG Service and as equipment for LNG Transportation Service.</u>
Table of Charges	Table of Charges for LNG Service	Note 3 (2) (b): The Electricity Surcharge shall be adjusted based upon the actual prior year electricity use per Gigajoule of LNG output of the LNG Facilities and actual BC Hydro rate increases incurred at the LNG Facilities.	Note 3 (2) (b): The Electricity Surcharge shall be adjusted <u>by a 2% increase in 2015 and each subsequent year until and including the next annual rate update for this Rate Schedule after the Available LNG capacity exceeds 20,000 Gigajoules per Day, but thereafter shall be adjusted</u> based upon the <u>estimated</u> prior year electricity use per Gigajoule of LNG output of the LNG Facilities and approved <u>interim or permanent</u> BC Hydro rate increases incurred at the LNG Facilities.
Table of Charges	Table of Charges for LNG Service	[new Note 4 added]	Notes: <u>4. The charges for transporting natural gas from the Interconnection Point to the LNG Facilities, defined as “firm demand toll” and as set out in Table of Charges in FortisBC Energy Rate Schedule 50, are embedded in the LNG Facility Charge in this Rate Schedule.</u>
Table of Charges	Table of Charges for LNG Service	[new Note 5 added]	Notes: <u>5. Process Fuel Gas is applied as set out in section 8.1 (i) (B) .</u>

LNG Transportation Service Agreement, Section 5	5. Request for Transportation Service	5.1 Subject to section 6.2 (availability of LNG Transportation Service) of Rate Schedule 46, if the Customer wishes to use LNG Transportation Service, the Customer or its agents shall notify FortisBC Energy by fax or email prior to 12:00 Pacific Standard Time (or other such time as may be specified from time to time by FortisBC Energy) and provide FortisBC Energy with such information as may be requested by FortisBC Energy, which shall include, but is not limited to, the Customer's desired quantity of LNG and the desired date and time of arrival of LNG at the Customer designated location, provided FortisBC Energy receives such notice no later than 48 hours prior to the requested date and time of arrival of the Tanker at the Customer designated location.	5.1 Subject to section 6.2 (availability of LNG Transportation Service) of Rate Schedule 46, if the Customer wishes to use LNG Transportation Service, the Customer or its agents shall notify FortisBC Energy by fax or email prior to 12:00 Pacific Standard Time (or other such time as may be specified from time to time by FortisBC Energy) and provide FortisBC Energy with such information as may be requested by FortisBC Energy, which shall include, but is not limited to, the Customer's ~~desired~~ <u>desired</u> quantity of LNG and the desired date and time of arrival of LNG at the Customer designated location, ~~provided FortisBC Energy receives such notice no later than 48 hours prior to the requested date and time of arrival of the Tanker at the Customer designated location.~~
LNG Transportation Service Agreement, Section 11	11. Termination	11.3 Either party may terminate the Agreement at any time upon giving 120 calendar days prior written notice to the other party.	~~11.3 — Either party may terminate the Agreement at any time upon giving 120 calendar days prior written notice to the other party.~~