

NORTHERN BORDER PIPELINE COMPANY
CAPACITY RELEASE BID AGREEMENT

This Capacity Release Bid Agreement is made and entered into at Omaha, Nebraska as of _____, 20____, by and between NORTHERN BORDER PIPELINE COMPANY, hereinafter referred to as "Company", and _____, hereinafter referred to as "Person".

WHEREAS, Person desires to bid on certain firm gas transportation rights and obligations pursuant to Section 27 of the General Terms and Conditions of Company's Federal Energy Regulatory Commission ("FERC") Gas Tariff; and

WHEREAS, Person desires to acquire, in whole or in part, certain firm gas transportation rights currently contracted under a Service Agreement by third party(ies), hereinafter referred to as Releasing Shipper(s); and

WHEREAS, Person desires to bid on the firm gas transportation rights made available by Releasing Shipper(s);

NOW THEREFORE, in consideration of their respective covenants and agreements hereinafter set out, the parties hereto covenant and agree as follows:

Article 1 – Adoption of Company's FERC Gas Tariff

Person shall bid for release of firm gas transportation rights in accordance with Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff and Company shall make said rights available to Person in accordance with Company's FERC Gas Tariff.

Article 2 – Capacity Release Bid Agreement Addendum

Person shall initiate a Bid for firm gas transportation rights by executing and delivering to Company a Bid in accordance with Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff. Upon the award by Company of Person's successful Bid for said rights, Person's Bid shall be deemed to be an addendum to this Capacity Release Bid Agreement and shall be incorporated in and made a part hereof.

Article 3 – Person Obligations

Person shall be required to execute a Service Agreement for any capacity acquired pursuant to Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

Person shall comply with all terms and conditions of the Service Agreement and for all charges for firm gas transportation rights provided pursuant to such Service Agreement.

All terms and conditions of the Service Agreement not in conflict with the terms and conditions of this Capacity Release Bid Agreement shall be incorporated by reference into this Capacity Release Bid Agreement as if fully set out herein.

Article 4 – Subrogation

Company expressly recognizes the right of subrogation of Person in and to all rights, claims, and privileges that Company has or may have against Person, to the extent of all payments made by Person to Company on account of or arising from Person's failure to comply with the terms and conditions of the Person's applicable Service Agreement. Person and Company agree that Person may exercise this right of subrogation with regard to such rights, claims and privileges at its discretion. Further, Person and Company

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agree that Company has no obligation to proceed against the Person for its failure to make payments in accordance with the terms and conditions of the applicable Service Agreement. Procedures regarding notice, billing and crediting of accounts as concerns payment obligations/liabilities of Person are set forth in the applicable Service Agreement and Section 6 of the General Terms and Conditions of Company's FERC Gas Tariff.

Article 5 – Agreed Maximum Receipt Quantity

Person shall not nominate firm gas transportation service above the Agreed Maximum Receipt Quantity (AMRQ).

Article 6 – Term

Where no addendum have been executed by Company and attached hereto within five years of the date of execution of this Capacity Release Bid Agreement then this Capacity Release Bid Agreement shall automatically terminate. Where one or more addendum have been executed by Company and attached hereto, then this Capacity Release Bid Agreement shall automatically terminate five years after the latest termination of service date on such addendum.

Article 7 - Indemnification

Person shall indemnify and hold Company harmless from any and all claims, demands, suits, actions, damages, recoveries, judgments, costs or expenses arising or growing out of, or in connection with, all actions Company takes in accordance with Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff. Notwithstanding any of the foregoing, Person shall not be obligated hereunder to indemnify or hold Company harmless for those claims, demands, suits, actions, damages, recoveries, judgments, costs or expenses resulting from the negligence or willful misconduct of Company.

IN WITNESS WHEREOF, The parties hereto have caused this Capacity Release Bid Agreement to be duly executed as of the day and year first set forth above.

NORTHERN BORDER PIPELINE COMPANY
By: TransCanada Northern Border Inc.,
its Operator

By: _____
Title: _____

By: _____
Title: _____

ATTEST:

(Name of Person)

By: _____
Title: _____