

**STRONG CONNECTIONS.
NEW CHOICES.**



we are
INNOVATORS

we are
FOCUSED

we are
TRAILBLAZERS



New Offering for 2015 Capacity

At the October 10, 2012 Alliance Canadian Shipper Task Force (CSTF) meeting, Alliance presented its proposed New Services Framework to existing and prospective shippers. Since then, we have held extensive customer consultations with current and prospective shippers that have helped us further refine the framework to better meet your needs in a dynamic marketplace.

Starting August 15, 2013, Alliance began offering capacity on a first-come, first-served basis through a Precedent Agreement process. Shippers can express interest now for services effective December 1, 2015, under our new framework.

Alliance provides a unique solution for your natural gas and entrained natural gas liquids (NGL) transportation needs through our New Services offering with:

- Predictable and competitive fixed tolls;
- A suite of pipeline services that appeals to a diverse range of customers;
- A new Canadian trading pool;
- Low cost rich gas transportation to a premium downstream market that recognizes the commercial risks in today's natural gas and NGL marketplace.

Alliance will seek regulatory approvals for these offerings, as well as to change its Hydrocarbon Dewpoint (HCDP) tariff from the current specification of -10°C (14°F) to -5°C (23°F). For those shippers looking for certainty to flow above the -5°C (23°F) HCDP specification, Alliance will be moving from the existing first-come, first-served temporary operational waiver system to a Firm Rich Gas Service or facilitation of a Shipper-Paired Gas arrangement. More details on these new initiatives are provided in the Alliance Rich Gas Advantage section of this brochure.

Details on our service offerings and how to participate in this Precedent Agreement process are included in this package. We look forward to doing business with you.

Sincerely,

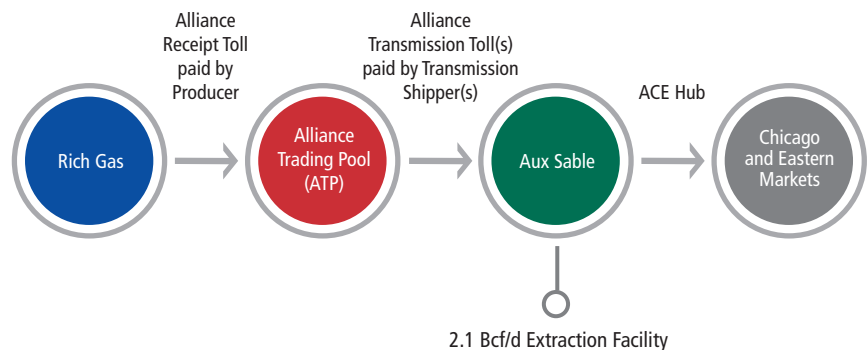
Dan Sutherland
Vice President, Business Development
Alliance Pipeline

Alliance Pipeline provides a unique transportation solution for natural gas and entrained natural gas liquids (NGL).

The Alliance Advantage

The Business Model offers producers access to valuable NGL markets, while providing a value-added alternative to field processing that can minimize investment and maximize value.

ALLIANCE → AUX SABLE VALUE PROPOSITION



Providing a Unique Transportation Solution

1. NEW SERVICES FRAMEWORK

Our New Services Framework, launched in the Fall of 2012, continues to include the following features:

Firm Receipt Service (FRS Zone 1 and FRS Zone 2)

Firm Receipt Service will allow shippers to move gas from their contract receipt point(s) to the Alliance Trading Pool (ATP). There will be two receipt zones. Zone 1 includes all receipt points downstream of the Blueberry Hill Compressor Station near Gordondale, Alberta. Zone 2 includes the Blueberry Hill Compressor Station and all receipt points upstream of that station. Zone 2 will be tolled at a premium to Zone 1. Firm Receipt Service will have a fixed volumetric toll to allow shippers to optimize their transportation costs on an energy basis by bringing on higher energy natural gas. Shippers may lock in their postage stamp receipt tolls for a minimum term of three years up to a maximum of ten years.

Alliance Trading Pool (ATP)

The introduction of a new Canadian trading pool will provide a platform for receipt and delivery shippers to trade gas. All receipt contracts flow into the pool and title transfers will be transacted in energy (GJs). Delivery contracts flow out of the pool on a volumetric basis at a fixed 1100 Btu/cf (40.97 MJ/m³) heat rate.

Firm Delivery Service (FDS) and U.S. Transportation Service (FT-1)

Firm Delivery Service in Canada will entitle the shipper to deliver gas from the ATP to the Canada-U.S. border. From that point, shippers can transport their gas to U.S. delivery points in Chicago using Alliance's FT-1 Transportation Service or, alternatively transfer title to their gas to downstream shippers holding FT-1 Transportation Service. FT-1 Transportation Service will undergo some tariff amendments, but the service will remain fundamentally the same. Delivery shippers will have two toll options. The first is a fixed rate option for Firm Delivery Service and FT-1 Transportation Service. The second is an Index Based Rate option.

Index Based Rates (IBR)

Index Based Rates are transmission tolls that can vary with market basis. Index Based Rates will allow shippers to select a base toll level priced lower than the corresponding fixed rate option. An associated AECO-Chicago basis sharing percentage will apply and allow shippers to tailor transportation commitments to their respective basis outlooks. The Index Based Rate provides for seamless transportation from the ATP to Chicago with a minimum five year commitment.

Firm Full Path Service (FFPS Zone 1 and FFPS Zone 2)

Alliance will continue to offer a firm full path volumetrically tolled service from Canadian receipt points to Chicago. This service will be deemed to bypass ATP for the purpose of determining the commingled stream heat rate, and will not trade in the ATP. This fixed rate Firm Full Path Service facilitates high levels of heat packing for terms between three and ten years.

Term Differentiation

Alliance is offering service flexibility and pricing based on differentiated terms. Firm Receipt Service and Firm Full Path Service commitments of three years or greater will have the greatest amount of service flexibility. Differentiated service attributes include relocations and staged contracts.

Shipper Credit

Alliance has revised its credit terms to an industry model that meets the needs of Alliance and its customers.

Interconnection Policy

Shippers seeking to connect to the Alliance Pipeline system can choose from three options:

1. Shipper or third party builds, owns and operates the required facilities subject to applicable Alliance requirements;
2. Connection facilities are built and financed by Alliance through a surcharge or backstopping arrangement tied to a transportation agreement; or

3. A Contribution in Aid of Construction (CIAC) agreement where facilities are paid for up front by the requesting party.

2. SERVICE REFINEMENTS

The following portions of the New Services Framework have been revised:

Firm Delivery Service (Canada FDS) and Transmission Service (US FT-1)

Alliance has reduced the proposed FDS toll to \$0.23/mcf, and has reduced the proposed FT-1 to \$0.42/mcf.

Contract Staging for Canadian Firm Receipt Service (FRS Zone 1 and FRS Zone 2) and Firm Full Path Service (FFPS Zone 1 and FFPS Zone 2)

Alliance will be providing further flexibility for those shippers looking to lock in future capacity for contract terms five years and greater and an average volume greater than 1,400 10³m³/d (approximately 50 mmcf/d). This allows shippers to stage contract volumes according to their production targets and pay a weighted average toll over the five or greater year term.

Rich Gas Credit

For those shippers that hold Firm Delivery Service and FT-1 Transportation Service contracts, a rich gas credit will be applied to their invoice if the commingled stream leaving ATP exceeds the 1100 Btu/cf (40.97 MJ/m³) heat rate.

Hydrocarbon Dewpoint (HCDP) Specification

To further establish Alliance as the transporter of choice for rich gas and to reduce field processing costs, Alliance will seek regulatory approvals to change the tariff gas quality specification for HCDP from -10°C (14°F) to -5°C (23°F). Alliance is offering new initiatives for shippers to transport rich natural gas that exceeds the -5°C (23°F) HCDP specification. These initiatives are detailed in the Alliance Rich Gas Advantage section.

3. ALLIANCE RICH GAS ADVANTAGE

Alliance will seek regulatory approvals for three commercial initiatives that will further augment the revised -5°C (23°F) HCDP specification, and are intended to replace the existing “first-come, first-served” temporary operational waiver system in Canada starting December 1, 2015:

1. Firm Rich Gas Service (FRGS)

This service provides certainty to a shipper that gas exceeding the -5°C (23°F) HCDP specification can still flow year round. This service has a fee, recognizing that HCDP carrying capability is limited and comes at a cost to the pipeline. Due to the potential need for additional facilities and / or equipment to safeguard the reliability and integrity of the pipeline, a surcharge of \$0.01/mcf/°C will be charged for every 1°C increment over the -5°C (23°F) HCDP level.

2. Facilitation of Shipper Paired Gas (SPG)

– Alliance will facilitate shipper requests to pair their off-spec HCDP gas with gas from another receipt location (either proprietary or third party gas) that is sufficiently below the -5°C (23°F) HCDP specification. The leaner gas must come onto the system upstream of the off-spec gas so that the resulting paired gas stream meets the -5°C (23°F) HCDP specification. Shippers will manage the commercial pairing and Alliance will physically facilitate the pairing relationship.

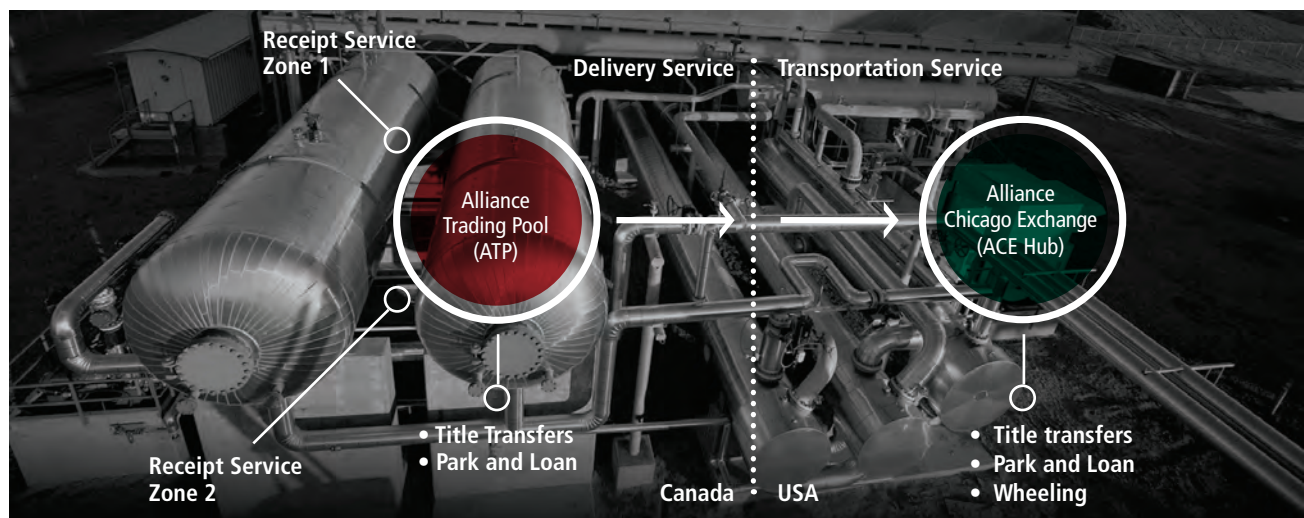
3. Revised HCDP Spec

Alliance may, from time to time and in its sole discretion, post a Revised HCDP Spec for Gas at specified Receipt Points on the Canadian Pipeline. Such Revised HCDP Spec shall at all times be subject to reduction or revocation, at Alliance's sole discretion, to accommodate prevailing operating conditions.

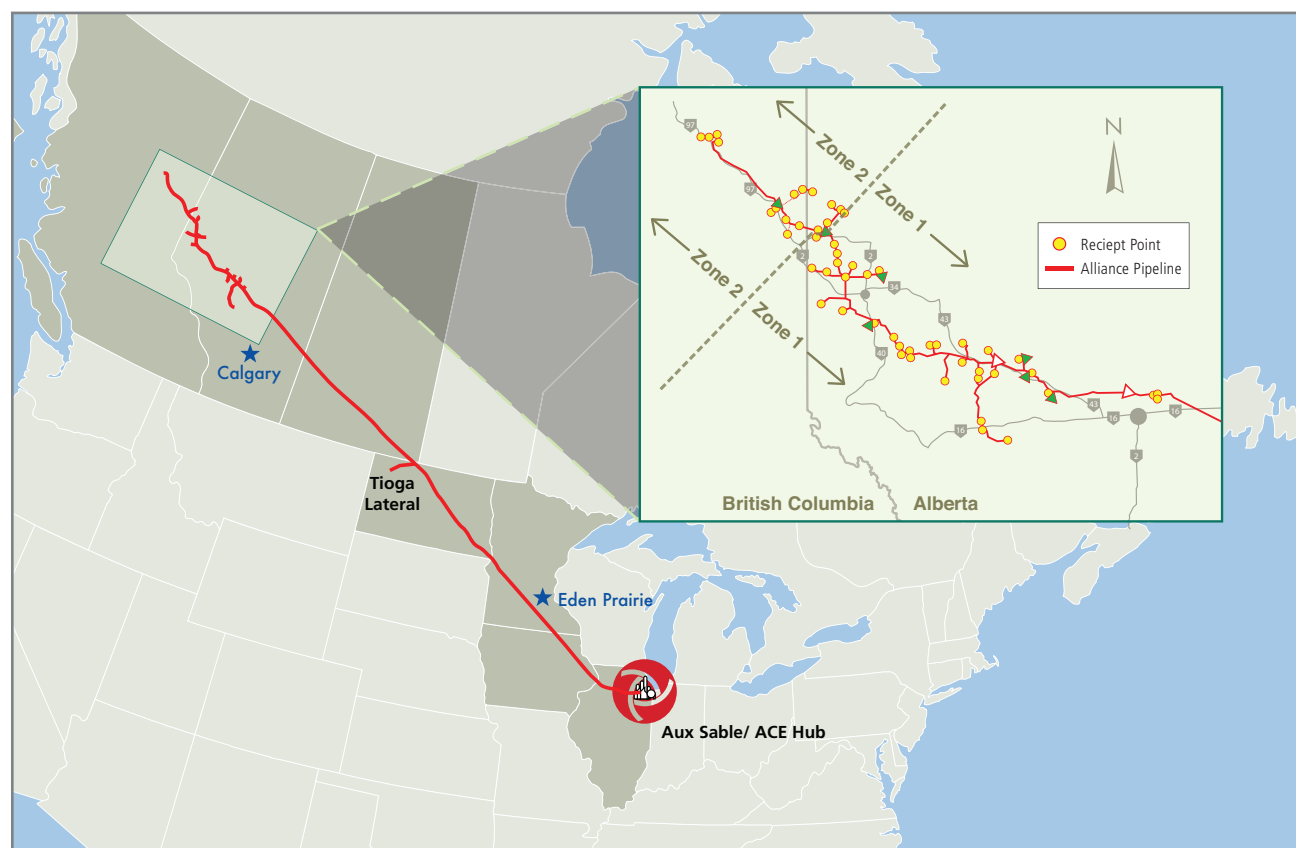
Curtailment mechanisms will be included in the tariff to ensure that pipeline operations and safety are not compromised.

The Alliance pipeline was designed as a dense phase rich gas transportation system. It is connected to Aux Sable's Channahon extraction facility which provides an effective and efficient means of moving rich natural gas to attractive markets. The obligation to grant an option to Aux Sable to extract and take ownership of the NGLs entrained in the rich gas stream will continue.

New Services Framework – Providing New Options for Receipt and Delivery Shippers



Competitive Access for Supply Regions to Premium Downstream Markets



How to Express Interest in Capacity

As of August 15, 2013, Alliance is offering firm service with a start date of December 1, 2015. For details on how to participate in the Precedent Agreement process and express interest in capacity, please refer to the 'How to Participate' document included in this package.

You can also visit our Recontracting page online at www.alliancepipeline.com under 'Doing Business With Us' or contact one of the individuals listed here.

Who to Contact

Dan Sutherland
Vice President, Business Development
Direct: (403) 517-6330
dan.sutherland@alliancepipeline.com

Bob Blattler
Director, Supply & Market Development
Direct: (403) 517-6431
bob.blattler@alliancepipeline.com

Carolyn May Ross
Business Development Manager, Supply
Direct: (403) 517-7781
carolyn.mayross@alliancepipeline.com

Chris Brovald
Business Development Manager, Supply
Direct: (403) 517-6336
chris.brovald@alliancepipeline.com

Jason Blaker
Business Development Manager, Market
Direct: (403) 802-6697
jason.blaker@alliancepipeline.com

www.alliancepipelines.com

