

Subject: Waddington Nomination Restrictions, Effective June 1, 2010

Scheduling of transactions utilizing Waddington as a delivery point where the downstream transaction is on TransCanada Pipelines Ltd.'s (TCPL's) system (i.e. confirming nominations to Canada) is SUSPENDED effective June 1, 2010.

This change applies to the scheduling of all RTS, ITS, PAL, and title transfer transactions. Nominations specifying Waddington as a delivery point will continue to be accepted pursuant to Iroquois' scheduling protocols if the downstream transaction is on Iroquois, and this notice shall not affect nominations scheduled through gas day May 31, 2010.

This change shall remain in effect until the approval by FERC of Iroquois' application for amendment to its NGA Section 3 authorization and re-issuance of its Presidential Permit to authorize use of Iroquois' border facilities for imports and exports of natural gas.

Background

Iroquois' current NGA Section 3 Authorization/Presidential Permit authorizes Iroquois' border facilities at Waddington to be used for imports of natural gas, consistent with Iroquois' historical function of receiving natural gas from Canada for delivery to U.S. markets. In addition to physical receipts from TCPL, Iroquois has also allowed customers to schedule "deliveries" to TCPL through displacement (i.e., backhaul) and title transfer transactions. Following a review of its current NGA Section 3 Authorization/Presidential Permit status and discussions with FERC Staff, Iroquois has determined that it should suspend the scheduling of transactions utilizing Waddington as a delivery point where the downstream transaction is in Canada pending FERC action on its application for an amendment to its NGA Section 3 authorization and re-issuance of its Presidential Permit to authorize use of Iroquois' border facilities for exports, as well as imports, of natural gas.

We appreciate your patience while we work through the legal process to provide greater flexibility to our customers and regulatory compliance certainty.

If you have any questions, please contact Gas Control or your Account Representative or if you have questions or need assistance with Waddington nominations, please contact Helena Clancy at 203.944.7047.