



**SUNSTONE PIPELINE
BINDING OPEN SEASON
TERM SHEET**

Sunstone Pipeline LLC (Sunstone) is pleased to announce an open season for a major new pipeline designed to bring Rocky Mountain gas supply to the Pacific Northwest, California and northern Nevada markets. Sunstone is being jointly developed by TransCanada PipeLine USA and Williams Gas Pipeline Company, LLC in response to demand growth, a need for greater supply diversity in western markets and to promote the use of existing facilities.

Background:

Sunstone proposes to construct a new interstate pipeline extending west and north from Opal, Wyoming to interconnections with TransCanada's existing Gas Transmission Northwest Corporation ("GTN") system and Williams' existing Northwest Pipeline GP ("Northwest") system near Stanfield, Oregon. The proposed 585-mile formerly 618-mile, 42-inch diameter Sunstone Pipeline will largely parallel Northwest's existing facilities and existing utility corridors and will have capacity of approximately 1.2 Bcf/d. Sunstone will offer a postage stamp rate for firm transportation from the Opal Hub to Stanfield.

Contemporaneously with this Open Season, GTN is also offering service between Stanfield and Malin, Oregon utilizing existing capacity that is available on its system and is willing to consider fixed, discounted rates for such capacity.

Target In-Service:

The required facilities and related transportation capacity outlined in this open season is anticipated to be available for service by November 2011.

Rates:

The Estimated 100% Load Factor Levelized Recourse Rates for Firm Transportation Service between Opal and Stanfield are set forth below:

CONTRACT TERM	ESTIMATED LEVELIZED RECOURSE RATE (DTH/D)¹
30 years or greater	\$0.678
Equal to or greater than 25 years but less than 30 years	\$0.694
Equal to or greater than 20 years but less than 25 years	\$0.717
Equal to or greater than 15 years but less than 20 years	\$0.753
Equal to or greater than 10 years but less than 15 years	\$0.803

In accordance with Sunstone’s pro forma tariff, shippers will reimburse Sunstone for actual natural gas fuel and electric power costs used in compression through tracking mechanisms. Natural gas fuel used in compression and lost and unaccounted for gas will be provided by shippers in-kind and electric power costs used in compression will be collected through a rate surcharge. The fuel retention and electric power surcharge are estimated to equate to a total of approximately 0.90% on a combined gas equivalent basis.

Contract Term:

The minimum acceptable term for Sunstone is ten years from the in-service date.

Open Season:

This binding Open Season process will be conducted generally as follows:

Sunstone will provide a binding precedent agreement and pro forma tariff reflecting the terms and conditions of the service to each Shipper desiring to participate in the Sunstone Pipeline project. Shippers interested in obtaining transportation on Sunstone Pipeline should contact Hank Henrie or Leslie Ferron-Jones to obtain the precedent agreement and tariff. Shippers interested in obtaining the offered firm service must complete, sign and return the binding precedent agreement via mail or facsimile not later than 3:00 p.m. (MDT) on April 30, 2008 to:

¹ First-year cost-of-service recourse rates are also available to interested shippers.

Sunstone Pipeline LLC
c/o Northwest Pipeline GP
295 Chipeta Way
Salt Lake City, Utah 84108
Fax: (801) 584-6950
Attention: Hank Henrie

or

Sunstone Pipeline LLC
c/o TransCanada
1400 SW Fifth Avenue, Suite 900
Portland, Oregon 97201
Fax: (503) 833-4925
Attention: Leslie Ferron-Jones

The binding precedent agreement will allow shippers to indicate their specific receipt and delivery point requests. Based on the commitments for capacity and services in the binding Open Season, Sunstone will complete the design of the Sunstone Pipeline facilities necessary to accommodate the various requests for service.

If you have any questions concerning this binding Open Season, please contact Hank Henrie at (801) 584-6625 or Leslie Ferron-Jones at (503) 833-4350. Shippers interested in capacity on the GTN system should contact Leslie Ferron-Jones.