

RATE SCHEDULE TFX  
Firm Throughput Service

3. OFFERING OF TFX SERVICE.

To initiate service under this Rate Schedule TFX, a valid request must be submitted in accordance with Section 26, "Requests for Service" and Section 27, "Information Required for a Request for Service," of the GENERAL TERMS AND CONDITIONS of this Tariff.

The minimum level of MDQ applicable to a TFX Agreement under this Rate Schedule shall be 50 MMBtu per day.

4. TERM OF TFX AGREEMENT.

The TFX Agreement must be executed by Shipper prior to commencement of service.

The term of service shall be negotiated. There shall not be a minimum term. The term shall be set forth in the TFX Agreement. TFX Agreements entered into pursuant to the New Service Settlement and prior to implementation of Order No. 636 shall retain any unilateral rollover rights contained therein.

Northern and Shipper may agree to different termination dates for specified volumes within the same Service Agreement on a not unduly discriminatory basis.

Northern and Shipper may agree, on a not unduly discriminatory basis, to contract extensions, including evergreens, rollovers and other extensions.

Northern and Shipper may agree to reduction rights. If Northern and Shipper are unable to agree, Shipper shall be entitled to the following: In the event a "firm customer of Shipper" served by use of Shipper's firm throughput entitlement on Northern arranges either directly or indirectly through an upstream supplier for incremental firm service with Northern for the remaining term of the Shipper's Service Agreement in lieu of taking assignment from Shipper for such firm service, Northern agrees to reduce Shipper's firm entitlement by an amount determined by Shipper that is no greater than the level of contract demand of incremental firm service arranged for with Northern by the "firm customer of Shipper" (i.e., Northern is kept revenue neutral except to the extent Northern discounts to the customer), provided however, Shipper must first submit an affidavit to Northern verifying that such customer was being served by use of Shipper's firm throughput entitlement on Northern. Reductions by Shipper will not be allowed if the "firm customer of Shipper" arranges either directly or indirectly through an upstream supplier for a non-incremental service (i.e., capacity release) on Northern or for interruptible service (i.e., TI) on Northern.

New TFX Agreements

- 1) TFX Agreements at maximum rates with a term of twelve (12) or more consecutive months of service or for a term of more than one (1) year for service not available for twelve consecutive months and TFX Agreements at discounted rates entered into prior to March 27, 2000, with a term equal to or greater than one (1) year, shall have a guaranteed Right of First Refusal as provided in Section 52 of the GENERAL TERMS AND CONDITIONS of this Tariff. Northern and Shipper may mutually agree to include ROFR rights in other TFX Agreements on a not unduly discriminatory basis.
- 2) TFX Agreements with a term up to, but not including, twelve (12) consecutive months of service or for one (1) year or less, shall not be eligible for the Right of First Refusal process. The service will be automatically abandoned upon expiration of the term.