

RATE SCHEDULE IDD
Interruptible Deferred Delivery Service

5. OFFERING OF SERVICE

- a) To initiate service under this Rate Schedule IDD, 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.
- b) Northern shall provide Shipper at least three (3) business days notice prior to termination of its IDD account that a balance remains in Shipper's IDD account. Shipper shall have fifteen (15) days from the date of termination to withdraw or inject quantities to bring its IDD account balance to zero. The fifteen (15) day period ("grace period") will be extended one (1) day for each day on which Shipper nominates gas to be injected or withdrawn but Northern is unable to schedule such nomination.
- c) Any positive balance remaining in Shipper's IDD account after the grace period shall become the property of Northern at no cost to Northern, free and clear of any adverse claims. Any negative balance remaining in Shipper's IDD account after the grace period shall be invoiced to the Shipper at 150% of the Index Price, as defined below, for the day on which Shipper's IDD account terminated. The value of this gas shall be credited to Shippers in accordance with Section 57 of the GENERAL TERMS AND CONDITIONS of this Tariff.

The Index Price shall equal the average of the prices at Northern-Demarcation, Northern-Ventura, El Paso, Permian Basin, and Panhandle, Tx - Okla occurring on the contract termination date, as reported in "Gas Daily."

6. NOMINATION

Deliveries to Northern. Shipper shall nominate service under this Rate Schedule in accordance with Section 28, "Nominations," of the GENERAL TERMS AND CONDITIONS of this Tariff. A shipper shall nominate gas to be received by Northern at the Point(s) of Receipt under a Throughput Service Agreement and transported under such Throughput Service Agreement to a Deferred Delivery Point. The IDD volumes scheduled will be received by Northern, on an interruptible basis, at a Deferred Delivery Point for Shipper's account.

Receipts from Northern. Shipper shall nominate to receive the IDD volumes from Northern in accordance with Section 28, "Nominations," of the GENERAL TERMS AND CONDITIONS of this Tariff. A shipper shall nominate gas to be received from Northern under a Throughput Service Agreement at a designated Deferred Delivery Point. The scheduled IDD volumes will be delivered by Northern, on an interruptible basis, to a Point of Delivery under the subject Throughput Service Agreement.

Additionally, the upstream and/or downstream contract information must be provided for a nomination to be valid.

7. RATES AND CHARGES

The rates and charges for service under this Rate Schedule shall include each of the following: