

GENERAL TERMS AND CONDITIONS

failure on the part of either shall be due to force majeure as defined in Section 10 "FORCE MAJEURE" in these GENERAL TERMS AND CONDITIONS, provided, such party shall promptly and diligently take such action as may be necessary and practicable under the then existing circumstances to remove the cause of failure and resume the delivery or receipt of gas, as the case may be, provided, however, that neither Northern nor the Shipper shall be relieved of liability to the other for any damages or expense caused or contributed to by its own negligence when such negligence on its part shall be the proximate cause of its failure to deliver or receive gas, as the case may be. If failure to deliver or receive gas is caused by negligence on the part of Northern, then Northern shall offer to credit reservation charges to the Shipper during such failure.

8. BILLING AND PAYMENT

For purposes of this Section 8, all references to "day" shall be deemed to mean "billing day" and all references to "month" shall be deemed to mean "billing month".

Each month, Northern shall submit to Shipper a statement and billing for the demand/reservation/capacity charge portion of actual services rendered during the preceding month. Additionally, Northern shall submit to Shipper, or its Designee, a separate statement and billing for the commodity portion of actual services rendered during the preceding month, if available. If actual measurement data is not available within five (5) business days after the end of the production month, then billing will be based on the best available measurement data and corrected as a prior period adjustment in a subsequent month. Quantities at points where OBAs exist should be invoiced based on scheduled quantities. The statements and billings shall be rendered on or before the 9th Business Day after the end of the production month. The term "rendered" shall mean postmarked, time-stamped or delivered to the designated site. Shipper shall pay to Northern the amount shown as due by such billing within ten (10) days of the issuance of such billings in immediately available U.S. funds at a depository designated by Northern. When paying the original invoice, the Shipper shall have the right to adjust its payment relative to imbalance cash in/out amounts to reflect its imbalance resolution elections pursuant to Section 32 of the GENERAL TERMS AND CONDITIONS of this tariff. Checks received in Northern's designated depository at least two (2) business days before the invoice due date will be considered to be immediately available funds on the due date. When the due date falls on a day that the designated depository is not open in the normal course of business to receive the Shipper's payment, the Shipper shall cause such payment to be made on or before the first business day on which the designated depository is open after such due date. Shipper shall submit supporting documentation with any payment. Shipper shall identify invoice number(s) on all payments. The party making the payment shall submit supporting documentation; the party receiving the payment shall apply the payment per the supporting documentation provided by the paying party; and if the payment differs from the invoiced amount, remittance detail shall be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two Business Days of the payment date.

Each month, Northern shall also provide Shipper with a detailed monthly Statement of Account. Such Statement of Account shall indicate any outstanding amounts billed during the current month. Upon request, Northern will provide a statement showing the outstanding cumulative account activity.