

GENERAL TERMS AND CONDITIONS

42. HARDSHIP REDUCTIONS

In conjunction with other reduction rights permitted under the terms of this Tariff, TF purchasers (TF or TFX) shall be entitled to reduce their level of firm entitlements for relief from hardship under the following terms:

- a) In the event 1) that a firm industrial customer, including firm crop and grain drying customers of a TF Shipper that is being served with gas exclusively transported and delivered to TF Shipper by Northern on a firm basis, ceases receiving transported gas through TF Shipper and commences receiving gas directly from Northern, or from a party other than Northern where Northern sells the gas to or transports and delivers the gas to such other party for redelivery to such firm industrial customer on a firm basis, or 2) in the event the operations of the firm industrial customer are discontinued, then TF Shipper may reduce the Firm Entitlement of the Service Agreements, but only up to the amount of the contract quantity purchased by the firm industrial customer, provided that the TF Shipper and the firm industrial customer (if different from the TF Shipper) is not physically connected with, or is not being served and has not been served by, another pipeline, and provided further that the total annual reduction quantity under this or any other provision of this Tariff shall be limited on an annual basis to the greater of this hardship reduction or ten percent (10%) of the total aggregate MDQ of the TF Shipper's TF agreement.

The term "discontinued" as used in this section refers to the termination of operations of a firm industrial customer and the cessation of gas consuming operations by the firm industrial customer that is not a seasonal or temporary cessation. The determination of cessation of gas consuming operations shall be made based on verifiable information made available by the TF or TFX Shipper at the time of the hardship request.