GENERAL TERMS AND CONDITIONS

- (ii) The fuel retention percentage for each transaction from any receipt point in any MID in Fuel Section 1 to any delivery point in any MID in Fuel Section 2 (except as defined in Section 53A.3(c)(ii)), or from any receipt point in any MID in Fuel Sections 2 (except as defined in Section 53A.3(c)(ii)) to any delivery point in any MID in Fuel Section 1, shall be the sum of: (1) the derived fuel retention percentage for Fuel Section 1, and (2) the derived fuel retention percentage for Fuel Section 2. (Section 1 to Section 2 and Sections 2 (less exceptions) to Section 1).
- (iii) The fuel retention percentage for each transaction from any receipt point in any MID in Fuel Section 2 or 3 to any delivery point in any MID in Fuel Section 2 shall be the derived fuel retention percentage for such Fuel Section 2. (Sections 2 or 3 to Section 2).
- (iv) The fuel retention percentage for each transaction from any receipt point in MID 17 (Fuel Section 3) to any delivery point in MID 17 shall be the derived fuel retention percentage for Fuel Section 3. (Market to Market).
- (v) The fuel retention percentage for each transaction from any receipt point in any MID in Fuel Section 1 to any delivery point in MID 17 (Fuel Section 3) shall be the sum of (1) the derived fuel retention percentage for Fuel Section 1, plus (2) the derived fuel retention percentage for Fuel Section 2, plus (3) the derived fuel retention percentage for Fuel Section 1 to Market MID).
- (vi) The fuel retention percentage for each transaction from any receipt point in any MID in Fuel Section 2 to any delivery point in MID 17 (Fuel Section 3) shall be the sum of: (1) the derived fuel retention percentage for Fuel Section 2; plus (2) the derived fuel retention percentage for Fuel Section 3. (Section 2 to Market MID).

(e) Other Provisions:

- (i) For transactions where gas is received at MID 16B and delivered to any delivery point in MID 17, the fuel retention percentage shall be the derived fuel retention percentage for Fuel Section 3.
- (ii) In recognition of all to and through transactions where gas is nominated and scheduled for delivery first to the Bushton inlet at POI 1708 in MID 16A and then subsequently delivered to other delivery points on Northern's system, the UAF will be deducted from the deliveries to the Bushton inlet (POI 1708) and the fuel shall be zero from the Bushton outlet at POI 1707 in MID16A to MID16B.
- (iii) Throughput on transactions that is not assessed fuel shall not be included in the throughput that is used to calculate the fuel retention percentages.