

GENERAL TERMS AND CONDITIONS

For purposes of determining the Adjustment Amounts for the Market Area and the Field Area for years subsequent to the initial year of the electric compression power PRA, the Adjustment Amount for the prior year is first added to the actual Market Area or Field Area Electric Compression Power Costs for the prior year. To determine the Adjustment Amount for any subsequent year, the cumulative balance of any Market Area or Field Area Electric Compression Power Costs collected will be compared to the actual cumulative balance of the Market Area and Field Area Electric Compression Power Costs, plus any applicable interest, determined in accordance with Section 154.501(d) of the Commission's Regulations. Northern shall maintain a separate subaccount (Account No. 182.3 or 254) for purposes of tracking the differences between its actual Electric Compression Power Costs and its actual collections under this PRA. For purposes of this PRA, any refunds or surcharges related to these Electric Compression Power Costs shall be accounted for in the period in which Northern receives such refund or pays such surcharge.

6. PRA Filing. On February 1 Northern will file annually to change the Market Area and Field Area electric compression commodity rates effective each April 1, in accordance with this Section 53B, together with supporting documentation. Such documentation shall include identification of the electric powered compression covered by this PRA and the Electric Compression Power Costs for each such compressor. If Northern seeks recovery of any Electric Compression Power Costs from billings that Northern has allocated among various facilities, including electric powered compression, Northern shall identify and support its allocation method.