

GENERAL TERMS AND CONDITIONS

23. PROCEDURES TO IMPLEMENT SYSTEM-WIDE RATES.

In order to implement system-wide reservation rates, Northern will hold an open season. A Shipper holding firm entitlement in its Firm Throughput Service Agreement paying the Recourse Rates may participate in an iterative open season process to realign Primary Receipt Point(s) or Primary Delivery Point(s) as set forth herein. The realignments will be subject to receipt of a final, unappealable FERC order accepting Northern's system-wide rates and will be effectuated after completion of any necessary information technology system changes to implement system-wide rates.

A. Eligible Points for Realignment Requests:

- i. Subject to capacity availability and operational considerations, Shippers with service only in the Market Area may realign to points located in the Field Area.
- ii. Subject to capacity availability and operational considerations, Shippers with service only in the Field Area may realign to points located in the Market Area.

B. Awarding Capacity:

- i. Available capacity will be allocated on a pro-rata basis.
- ii. Northern will initiate an iterative process to award available capacity to participating Shippers.
- iii. Any remaining capacity after the open season concludes will be posted as generally available and awarded pursuant to Section 26 of the GENERAL TERMS AND CONDITIONS of this Tariff.

C. Other:

- i. Northern will provide a schedule to each Shipper showing the percentage of its contract(s) that contain Recourse Rates.
- ii. Capacity based on those percentages will be distributed on a pro-rata basis, among the Primary Receipt Point(s) and Primary Delivery Point(s) in the contract for purposes of determining eligible capacity to be realigned in the realignment open season. Existing discounted or negotiated rate contracts that have NNG FIELD/MKT Demarcation (POI #37654) as a primary receipt or delivery point will retain NNG FIELD/MKT Demarcation (POI #37654) as the primary point.