

6. RATE SCHEDULE FDD - FIRM DEFERRED DELIVERY SERVICE

A. Availability

This Rate Schedule is available to any Shipper, subject to availability of deferred delivery, or storage capacity, as determined by Northern, with an effective Firm Deferred Delivery Service Agreement FDD (Service Agreement) with Northern in the form included in this Tariff prior to commencement of service under this Rate Schedule.

Definition of Terms

1. Account Balance - is the inventory balance at any time held for the Shipper, not to exceed the Shipper's firm storage quantity.
2. Cycle Year - the annual period beginning June 1 and ending the following May 31.
3. Firm Storage Quantity (FSQ) - the maximum FDD Account Balance provided for in the Service Agreement. This number is the individual FDD Shipper's contractual share of the total 65.1 Bcf of annual cycle quantity available for FDD service under Subpart B.1. of this Rate Schedule.
4. Firm Daily Quantity (FDQ) - the Maximum Daily Injection quantity and the Maximum Daily Withdrawal quantity provided for in the Service Agreement for the Shipper. These numbers are the individual FDD Shipper's shares of the total aggregate FDQs during the Injection and Withdrawal Periods shown in Subpart B.2.a., b., c. and d. of this Rate Schedule.
5. Injection Period - the calendar months of June through October.
6. Withdrawal Period - the calendar months of November through May.

B. Applicability and Character of Service

Service under this Rate Schedule shall be firm up to Shipper's FSQ as specified in Shipper's FDD Service Agreement. This Rate Schedule shall provide Shipper the ability to have natural gas quantities transported to or received from Northern on a deferred basis under Rate Schedules for Northern's Firm or Interruptible Throughput Services.

Northern shall annually evaluate its capability to provide service under this Rate Schedule and shall reflect any changes in the amount and length of service it may provide by filing such changes with the Commission. In such event, the shipper shall have the right to reestablish its FDD quantity related to such change.

A Shipper is permitted to combine multiple FDD Agreements into a single FDD Agreement to the extent that the individual Agreement's rates, terms and conditions can be distinctly maintained within Northern's contracting and billing systems. Shipper may also combine its FDD Service Agreement(s) with other FDD Shippers under an FDD Consolidation Agreement or FDQ Aggregation Agreement pursuant to Subpart B.7. or Subpart B.2.d. of this Rate Schedule, whichever is applicable. Furthermore, a Shipper is permitted to separate an FDD Agreement into multiple FDD Agreements once a year, while maintaining the rates, terms and conditions of the original agreement, including the right, for each FDD Agreement, to select among the types of service in accordance with Subpart B.2. below, provided the separation can be accommodated by Northern's contracting and billing systems.

1. Annual Cycle Quantity

Northern shall offer an annual cycle quantity for service under this Rate Schedule of 65.1 Bcf. Additionally, Northern may acquire third party storage service for availability of service under this Rate Schedule in accordance with Section 55 of the GENERAL TERMS AND CONDITIONS of this Tariff. If Northern has additional annual cycle quantity available, Northern will post such capacity on its website.

2. Types of Service

Service under this Rate Schedule shall be available under one of the following options. A Shipper with an FDD Service Agreement with a term of two (2) years or more may select from the available options on an annual cycle basis, provided, (1) Shipper shall not be allowed, unless mutually agreeable to both parties, to change between options within a Cycle Year, and (2) Shipper must maintain the same maximum FDD Account Balance and the same Maximum Daily Withdrawal quantity, unless otherwise agreed to by Northern.

- a. Gas-In-Place (GIP) Option
- b. 4-Step Withdrawal Option
- c. 3-Step Withdrawal Option
- d. EG Option

To the extent monthly and daily capacity remains available after Northern has satisfied requests for service under the four options, Northern may, from time to time, offer service under this Rate Schedule on a partial-cycle basis. Northern will offer such service by posting a notice on its Internet website requesting bids for partial-cycle FDD Service. Northern will provide such service on a not unduly discriminatory basis and only if such service does not adversely affect Northern's obligation to existing Shippers receiving FDD service.

Options

All quantities for GIP, 3-Step, 4-Step and EG storage options, as described below, are provided in Dth.

Under the GIP, 3-Step and 4-Step storage options that follow, Shipper is entitled to a minimum of the injection and withdrawal parameters as a pro rata share of the total FDD annual cycle quantity referenced in Subpart B.1. above, based on the Shipper's total FSQ and the storage option election. Account Balance quantities that are less than or greater than the Account Balance parameters contained in Shipper's Service Agreement shall be subject to the authorized overrun charge as fully described in Subpart C.1. below. In the event that the Shipper has multiple FDD Service Agreements, Northern will net the Shipper's FDD account balances prior to determining the authorized overrun charge, provided that the Shipper has selected the same service type for each of the FDD Service Agreements. Should Shipper nominate injection or withdrawal quantities which would preclude Shipper's ability to meet subsequent periodic Account Balance parameters or subsequent Injection Period or Withdrawal Period quantities, Northern shall have the right to refuse to schedule such quantities.

a. Gas-In-Place Option

Account Balance Parameters:

* Each Shipper's minimum and maximum quantities are determined based on each Shipper's respective FSQ as a percent of the total FDD annual cycle quantity offered.

Injection Period	Withdrawal Period
Total of all Shippers' Account Balances may not be greater than 43,291,500 on August 31.*	Total of all Shippers' Account Balances may not be less than 9,374,400 on January 31.*
	Total of all Shippers' Account Balances may not be greater than 34,893,600 on March 1.*

Daily Maximum FDQ:

Injection Period	Daily Maximum Injection FDQ	Daily Maximum Withdrawal FDQ	Withdrawal Period	Daily Maximum Withdrawal FDQ	Daily Maximum Injection FDQ
40% or less of FSQ	443,864* + 900 per 100,000 of GIP in excess of 0	287,417*	75.0% or more of FSQ	1,129,127*	261,550*
40.0% or more but less than 80% of FSQ	677,475* +150 per 100,000 of GIP in excess of 26,008,851*	359,272*	Less than 75% but more than 25% of FSQ	950,025* +550 per 100,000 of GIP in excess of 16,275,000*	261,550*
80% or more of FSQ	716,412*	431,126*	25% or less of FSQ	350,419* +3,670 per 100,000 of GIP in excess of 0	261,550*
			April	350,419*	130,775*
			May	Overrun (Interruptible)	Overrun (Interruptible)

b. 4-Step Withdrawal Option

Account Balance Parameters:

* Each Shipper's minimum and maximum quantities are determined based on each Shipper's respective FSQ as a percent of the total FDD annual cycle quantity offered.

Injection Period	Withdrawal Period
Total of all Shippers' Account Balances may not be greater than 43,291,500 on August 31.*	Total of all Shippers' Account Balances may not be less than 26,040,000 on January 31.*
	Total of all Shippers' Account Balances may not be greater than 16,275,000 on March 1.*

Daily Maximum FDQ:

Injection Period			Withdrawal Period		
Period	Daily Maximum Injection FDQ	Daily Maximum Withdrawal FDQ	Period	Daily Maximum Withdrawal FDQ	Daily Maximum Injection FDQ
June	513,948*	287,417*	November	1,129,127*	261,550*
July	607,393*	287,417*	December	1,129,127*	261,550*
August	677,475*	359,272*	January	1,129,127*	261,550*
September	716,412*	431,126*	February	872,153*	261,550*
October	716,412*	431,126*	March	591,818*	261,550*
			April	350,419*	130,775*
			May	Overrun (Interruptible)	Overrun (Interruptible)

c. 3-Step Withdrawal Option

Account Balance Parameters:

* Each Shipper's minimum and maximum quantities are determined based on each Shipper's respective FSQ as a percent of the total FDD annual cycle quantity offered.

Injection Period	Withdrawal Period
Total of all Shippers' Account Balances may not be greater than 43,291,500 on August 31.*	Total of all Shippers' Account Balances may not be less than 26,040,000 on January 31.*
	Total of all Shippers' Account Balances may not be greater than 16,275,000 on March 1.*

Daily Maximum FDQ:

Injection Period			Withdrawal Period		
Period	Daily Maximum Injection FDQ	Daily Maximum Withdrawal FDQ	Period	Daily Maximum Withdrawal FDQ	Daily Maximum Injection FDQ
June	513,948*	287,417*	November	1,129,127*	261,550*
July	607,393*	287,417*	December	1,129,127*	261,550*
August	677,475*	359,272*	January	1,129,127*	261,550*
September	716,412*	431,126*	February 1-14	1,129,127*	261,550*
October	716,412*	431,126*	February 15-28	591,818*	261,550*
			March	591,818*	261,550*
			April	350,419*	130,775*
			May	Overrun (Interruptible)	Overrun (Interruptible)

d. EG Option

The EG option is available for up to 10 Bcf of the annual cycle quantity referenced in Subpart B.1. of this Rate Schedule. Any EG option service available will be posted on Northern's website for the start of the upcoming Cycle Year. A Shipper is entitled to a minimum of the injection and withdrawal parameters that results from a pro rata share of the 10 Bcf total service quantity parameters shown below for the EG option based on its FSQ for service under the EG option.

Northern will have an annual right to reestablish parameters for EG option service if the parameters are operationally unacceptable by Northern. Northern will work with EG option shippers and if Northern and shippers are unable to reestablish acceptable parameters, in Northern's sole discretion, the EG option service will revert to the other FDD service option parameters at the start of the next Cycle Year. If Northern determines that it will discontinue the EG option service, a notice will be provided to shippers by February 1 and the EG option will be discontinued June 1 of the same year.

Should Shipper nominate injection or withdrawal quantities which violate Shipper's monthly Maximum and Minimum Inventory Limits, Northern will not schedule such quantities.

Shipper must comply with its required Maximum and Minimum Inventory Limits as specified in the Account Balance parameters below and also on the Shipper's FDD Service Agreement. Any Account Balance quantities from the beginning of the Gas Day August 1 and the beginning of the Gas Day October 1, that are greater than the required Account Balance parameters set forth in the Shipper's FDD Service Agreement will be charged the applicable withdrawal fee and will become a positive imbalance for the ending production month under the throughput service agreement that is selected by the Shipper. Any Account Balance quantities from the beginning of the Gas Day January 1 and the beginning of the Gas Day February 1, that are less than the required Account Balance parameters set forth in the Shipper's FDD Service Agreement will be charged the applicable injection fee and become a negative imbalance for the ending production month under the throughput service agreement selected by the Shipper. This will ensure the minimum and maximum inventory requirements are reestablished at the specified monthly transition dates.

i. Authorized Overrun

Should Shipper, or its Designee, desire to nominate quantities for firm storage in excess of its current FDQ or the aggregated FDQ under an FDQ Aggregation Agreement as described below. Such quantities shall be scheduled pursuant to the terms and conditions of Rate Schedule IDD if capacity is available, and will be subject to the authorized overrun charge. Northern shall have the right to interrupt all or part of the excess quantity. Northern shall notify Shipper, or its Designee, of such interruption.

ii. FDQ Aggregation Agreement

An FDQ Aggregation Agreement allows Shippers to combine the FDQs of multiple FDD Service Agreements under either the 3-Step or 4-Step options with an EG option for nominations and scheduling purposes. The FDQ Aggregation Agreement will consist of two FDD Service Agreements: one EG option and either one 3-Step or 4-Step option, both of which will be administered by an agent/operator. For purposes of this Subpart B.2.d.ii., an agent/operator could be an aggregating Shipper. If Shipper desires to include more than one FDD Service Agreement under the same service option (3-Step, 4-Step or EG) the FDD Service Agreements must first be consolidated under an FDD Consolidation Agreement pursuant to Subpart B.7. of this Rate Schedule. An individual FDD Service Agreement or an existing consolidated FDD Service Agreement created under Subpart B.7. can be included in an FDQ Aggregation Agreement. The rights and obligations under the FDD Service Agreements included in the FDQ Aggregation Agreement will be the same as the collective rights of the individual FDD Service Agreements. The aggregated FDQ rights in the FDQ Aggregation Agreement may be nominated in total or in part under either the individual or consolidated FDD Service Agreements. Storage inventory balances will be tracked at a contract level based on the individual or consolidated FDD Service Agreement used for nominations. This aggregation arrangement will not affect Northern's ability to provide firm service to the aggregating Shippers or other firm Shippers.

A portion of the EG service can be combined with either a market-based rate FDD Service Agreement or non-market-based rate FDD Service Agreement at Shipper's election.

All rates and charges, including market-based rates, as applicable, will be billed based on the applicable individual or consolidated FDD Service Agreement used for nominations. Authorized overrun charges are applicable to nominated quantities for firm storage in excess of the aggregated FDQ. Such quantities shall be scheduled pursuant to the terms and conditions of Rate Schedule IDD if capacity is available. Northern shall have the right to interrupt all or part of the excess quantity. Northern shall notify Shipper, or its Designee, of such interruption. During the month of May, authorized overrun charges are applicable to aggregated FDQ quantities nominated as firm storage on a 3-Step or 4-Step FDD Service Agreement. Such quantities shall be scheduled pursuant to the terms and conditions of this Rate Schedule FDD.

Shipper or Shipper's agent/operator shall have executed an FDQ Aggregation Agreement with Northern in the form contained in this Tariff.

Shipper agrees that the agent/operator will nominate under the individual or consolidated FDD Service Agreement(s), and neither Shipper nor agent will nominate under the FDQ Aggregation Agreement.

A Shipper or agent/operator initiating participation in an FDQ Aggregation Agreement must provide written notice to Northern prior to the beginning of the month the agreement is proposed to be effective. The agreement becomes valid on the date set forth in the agreement and upon execution by the parties.

A Shipper or agent/operator terminating participation in an FDQ Aggregation Agreement must provide written notice to Northern to withdraw from the agreement (Notice to Terminate) and the related FDD Consolidation Agreement arrangements, if applicable. Such withdrawal must be prospective and will be effective on the date provided in the Notice to Terminate. If the terminating party is the Shipper under an individual FDD Service Agreement, the Notice to Terminate must represent that the agent/operator has consented to the termination.

Shipper and agent/operator agree that agent is the sole nominator and sole agent under Shipper's individual or consolidated FDD Service Agreement(s) under the FDQ Aggregation Agreement.

By participating in this aggregation arrangement, a Shipper with an individual FDD Service Agreement recognizes that during that participation it is waiving certain rights it may have pursuant to Northern's Tariff, including the right to nominate under its individual FDD Service Agreement, the right to be billed individually, the individual right to object to an invoice except through its agent/operator, and any other rights associated with having the agreements handled separately.

Nothing herein relieves Shipper of its obligation under the respective FDD Service Agreement including, but not limited to, balancing and paying invoices as principals under the FDD Service Agreement. In the event the agent fails to pay the invoice, the Shipper will be given ten (10) calendar days from the date Northern notifies the Shipper to pay the invoice, subject to Section 8, Billing and Payment, of the GENERAL TERMS AND CONDITIONS of this Tariff.

Account Balance Parameters:

* Each Shipper's minimum and maximum quantities are determined based on each Shipper's respective FSQ as a percent of the total 10 Bcf FDD annual cycle quantity offered.

Injection Period	Withdrawal Period
Maximum Inventory Limit	Minimum Inventory Limit
Total of all Shippers' Account Balances will not be greater than 7,500,000 August 1 through September 30.*	Total of all Shippers' Account Balances will not be less than 4,000,000 January 1 through January 31.*
Total of all Shippers' Account Balances will not be greater than 7,000,000 October 1 through November 30.*	Total of all Shippers' Account Balances will not be less than 3,000,000 February 1 through April 30.*

Daily Maximum FDQ:

Injection Period			Withdrawal Period		
Period	Daily Maximum Injection FDQ	Daily Maximum Withdrawal FDQ	Period	Daily Maximum Withdrawal FDQ	Daily Maximum Injection FDQ
June	110,048*	173,445*			
July	110,048*	173,445*			
August	110,048*	173,445*	November	173,445*	50,000*
September	110,048*	173,445*	December	173,445*	110,048*
October	110,048*	173,445*	January	173,445*	110,048*
			February		110,048*
			30% or more but less than 40% of FSQ	121,971*	
			40% or more of FSQ	133,971*	
			March		110,048*
			30% or more but less than 40% of FSQ	78,909*	
			40% or more but less than 50% of FSQ	90,909*	
			50% or more but less than 75% of FSQ	120,909*	
			75% or more of FSQ	150,909*	
			April		110,048*
			30% or more but less than 40% of FSQ	71,828*	
			40% or more but less than 50% of FSQ	83,828*	
			50% or more but less than 75% of FSQ	113,828*	
			75% or more of FSQ	143,828*	
			May		110,048*
			Up to 25% of FSQ	30,000*	
			25% or more but less than 50% of FSQ	60,000*	
			50% or more but less than 75% of FSQ	90,000*	
			75% or more of FSQ	120,000*	

3. Capacity Release

An FDD Shipper may utilize Northern's capacity release mechanism to permanently or temporarily release all or a portion of its FDD capacity for any or all of the periods for the remaining term of the FDD Service Agreement, pursuant to the applicable terms of Section 47 of the GENERAL TERMS AND CONDITIONS of this Tariff. If only FDD capacity is to be released, then the release can be only on the same period basis. If the Releasing Shipper wishes to release both FDD capacity and the related storage gas, the Replacement Shipper must take both the FDD capacity and the related storage gas. The gas held in the Releasing Shipper's storage account cannot exceed the available FDD capacity after the release. Further, in no way shall releases or recalls and reputs of FDD capacity result in the related gas in the storage account being stranded from the related FDD capacity. If the Releasing Shipper recalls/reputs its FDD capacity, the related storage gas must be proportionally recalled/reput unless otherwise agreed upon by Northern. If any storage gas balance remains in the storage account at the time the capacity release terminates, the storage gas shall be returned to the Releasing Shipper. The release may be effectuated at any time during the periods, subject to the released FDD capacity continuing to be used according to the terms for the assigned FDD capacity. Further, Northern will work with the parties to assure that gas is not stranded in a Shipper's storage account. Northern shall not be liable for the related gas held in the Replacement Shipper's storage account.

4. Injection Period

Shipper shall be entitled to nominate a quantity of natural gas for injection up to its FDQ at an available designated storage point during the Injection Period as specified in Shipper's FDD Service Agreement. Upon acceptance of such nomination by Northern, Shipper shall deliver to Northern quantities scheduled for FDD service. However, Northern may refuse to schedule any nomination which would cause the Shipper's FDD Account Balance to exceed its FDD quantities as specified in the FDD Service Agreement.

Shipper shall specify any of the designated storage points listed on Northern's website as its injection and withdrawal storage point.

Quantities received by Northern from Shipper shall be considered transported by Northern, pursuant to the upstream or downstream Firm or Interruptible Throughput Service Agreement, to the storage point and held in an account for Shipper.

5. Withdrawal Period

Shipper shall be entitled to nominate a quantity of natural gas for withdrawal up to its FDQ at an available designated storage point during the Withdrawal Period as specified in Shipper's FDD Service Agreement. Upon acceptance of such nomination by Northern, Northern shall make available at the storage point the quantity of natural gas scheduled for FDD service. Shipper's total withdrawals at any storage point may not exceed its total injections at such storage point. Shipper shall specify in its nomination under a Firm or Interruptible Throughput Service Agreement the storage point as the receipt point for such delivery. Deliveries to and receipts from Shipper's account under this Rate Schedule shall not be subject to interruption except as provided herein.

6. Account Balance Transfer

To the extent allowed by the parameters of Shipper's FDD account(s), Shipper may, upon advising Northern, transfer its Account Balances (1) among different Shippers' FDD accounts, and/or, (2) between its own FDD accounts with no additional injection or withdrawal fees, and no transportation fees provided that the Shipper's accounts are held at the same storage

point. Provided Northern is not allocating due to capacity constraint(s), transfer of Account Balances between storage points, either on one account or among multiple accounts, shall not be charged injection or withdrawal fees but will be charged the applicable transportation fees. A transportation constraint in the Market Area will have no impact on the ability of Shippers to transfer Account Balances in the Field Area. A transportation constraint in the Field Area will have no impact on the ability of Shippers to transfer Account Balances in the Market Area. However, account balance transfers between accounts are limited to Account Balances where the Shippers have selected the same service type as provided in Subpart B.2. of this Rate Schedule, i.e., GIP, 3-Step, 4-Step or EG. Further, the Account Balance transfer shall not be allowed to create a negative Account Balance for any party involved in the transaction.

7. FDD Consolidation Agreement for Same Storage Options

One or more Shippers may consolidate FDD Service Agreements into a single consolidated FDD Service Agreement administered by an agent/operator for purposes of nomination, scheduling, balancing and invoicing. For purposes of this Subpart B.7., an agent/operator could be a consolidating Shipper. The rights and obligations under the consolidated FDD Service Agreement will be the same as the collective rights of the individual FDD Service Agreements. FDD consolidation will not affect Northern's ability to provide firm service to the consolidating Shippers or other firm Shippers.

Each consolidated FDD Service Agreement must have the same options pursuant to Subpart B.2. of this Rate Schedule.

Market-based-rate FDD Service Agreements may be consolidated with non-market-based rate FDD Service Agreements, provided all of the underlying FDD Service Agreements and the consolidated FDD Service Agreement have the same options pursuant to Subpart B.2. of this Rate Schedule, as well as equivalent commodity rate components. In order to properly charge for market-based storage services, reservation and capacity charges under the consolidated FDD Service Agreement will be based on each Shipper's respective Tariff and market-based Service Agreements. Further, Northern will pro-rate commodity revenues based on each Shipper's respective Tariff and market-based FSQs.

Shipper and Shipper's agent/operator shall have executed an FDD Consolidation Agreement with Northern in the form contained in this Tariff. The form of service agreement used to facilitate the FDD Consolidation Agreement will be the Firm Deferred Delivery Service Agreement under Part 9, Section 5. The rates and terms and conditions of service shall be set forth in an Amendment.

Shipper agrees that the agent/operator will nominate under the consolidated FDD Agreement, and neither Shipper nor agent will nominate under Shipper's individual FDD Service Agreement.

Shipper's FDD Service Agreement shall maintain an inactive status during the time period each Shipper is a party to a Consolidation Agreement. A Shipper initiating participation in an FDD Consolidation Agreement must provide written notice to Northern prior to the beginning of the month the agreement is proposed to be effective. The agreement becomes valid on the date set forth in the agreement and upon execution by the parties.

A Shipper terminating participation in an FDD Consolidation Agreement must provide written notice to Northern to withdraw from the agreement (Notice to Terminate). Such withdrawal must be prospective and will be effective on the date provided in the Notice to Terminate. The Notice to Terminate must represent that the agent has consented and the distribution of all account balance information for the Shipper withdrawing from the consolidation agreement,

including the volumes, the storage points associated with the volumes and the transportation used to inject the volumes into the storage account.

Shipper and agent/operator agree that agent is the sole nominator and sole agent under Shipper's FDD Service Agreement and the Consolidation Agreement.

By participating in this arrangement, Shipper recognizes that during that participation it is waiving certain rights it may have pursuant to Northern's Tariff, including the right to nominate under its individual FDD Service Agreement(s), the right to be billed individually, the individual right to object to an invoice except through its agent/operator, and any other rights associated with having the agreements handled separately.

Nothing herein relieves Shipper of its obligation under the respective FDD Service Agreements including, but not limited to, balancing and paying invoices as principals under the FDD Service Agreements. In the event the agent fails to pay the invoice, the Shipper will be given ten (10) calendar days from the date Northern notifies the Shipper to pay the invoice, subject to Section 8, Billing and Payment, of the GENERAL TERMS AND CONDITIONS of this Tariff. Each Shipper's balancing obligations will be determined on a pro rata basis. Unless otherwise agreed by the parties, obligation for all costs shall be distributed between the Shippers on a pro rata basis based on the original Firm Storage Quantities (FSQs).

C. Firm Storage Quantity (FSQ)

The FSQ shall be the maximum (or minimum) quantity of natural gas specified in Shipper's Service Agreement that Northern is obligated to accept for service on a firm basis. Shipper shall not be permitted to exceed the totals established in its Service Agreement for any period or for any day except as permitted in this Subpart C.

Shipper's FSQ shall be specified as the maximum FDD Account Balance quantity. Periodic maximum and minimum Account Balance parameters and daily maximum quantities based on the Shipper's Injection and Withdrawal Periods shall be set forth in Appendix A to Shipper's Service Agreement.

Unless otherwise agreed, Shipper is required to comply with its periodic Account Balance parameters. For the GIP, 3-Step and 4-Step storage options, if operationally feasible, Northern may agree to retain for a subsequent period any quantities remaining in the FDD account after the Withdrawal Period. Such volumes will be considered Rollover volumes. Such volumes shall be subject to the Annual Rollover Charge and will be included in the subsequent period's total contract quantity. For the EG option, any quantities remaining in a Shipper's storage account will automatically rollover at no additional charge. The rollover quantity under any storage option cannot exceed the next Cycle Year's FSQ.

If the FDD Service Agreement is not renewed or there are Rollover volumes in excess of the next Cycle Year's FSQ, these Rollover volumes must be withdrawn in accordance with the provisions of Part 7, Section 8.E.2. and 8.E.3. of Rate Schedule IDD.

For GIP, 3-Step and 4-Step storage options, in the event that it is not operationally feasible for Northern to retain any (1) quantities in excess of Shipper's periodic Account Balance parameters, or (2) Rollover volumes to a subsequent Injection Period, such volumes must be withdrawn upon at least 15 days notification from Northern and will be subject to the provisions of Part 7, Section 8.E.3. of Rate Schedule IDD. In the event that the volumes become subject to Part 7, Section 8.E.3. of Rate Schedule IDD, the Annual Rollover Charge shall not be applicable.

1. Authorized Overrun

Should Shipper, or its Designee, desire to nominate quantities for firm storage in excess of its current FDQ. Such quantities shall be scheduled pursuant to the terms and conditions of Rate Schedule IDD if capacity is available, and will be subject to the authorized overrun charge. Northern shall have the right to interrupt all or part of the excess quantity. Northern shall notify Shipper, or its Designee, of such interruption.

For GIP, 3-Step and 4-Step storage options, the Account Balance quantities that are less than the January 31 Account Balance parameters set forth in the Shipper's Service Agreement are subject to the authorized overrun charge. Account Balance quantities that are greater than the August 31 and March 1 Account Balance parameters set forth in the Shipper's Service Agreement are subject to the authorized overrun charge. However, as provided in Subpart B.2. of this Rate Schedule, in the event that the Shipper has multiple FDD Service Agreements, Northern will net the Shipper's FDD account balances prior to determining the authorized overrun charge, provided that the Shipper has selected the same service type for each of the FDD Service Agreements. For the EG option, overrun charges are set forth in Subpart B.2.d.i. above.

2. Authorized Reductions

In the event that Northern has allocated storage injections during the Withdrawal Period, FDD Shippers shall be allowed to reduce scheduled firm withdrawal quantities during the last nomination cycle of the Gas Day by an amount up to a quantity equal to the aggregate Daily Maximum Injection FDQ during the Withdrawal Period. In the event that the difference between the total firm withdrawal quantity nominated during the last nomination cycle compared to the total firm withdrawal quantity scheduled as the FDD Shipper's daily firm withdrawal rights during the previous cycle is greater than the quantity equal to the aggregate Daily Maximum Injection FDQ, Northern shall allocate the firm reductions pro-rata.

In the event that Northern has allocated storage withdrawals during the Injection Period, FDD Shippers shall be allowed to reduce scheduled firm injection quantities during the last nomination cycle of the Gas Day by an amount up to a quantity equal to the aggregate Daily Maximum Withdrawal FDQ during the Injection Period. In the event that the difference between the total firm injection quantity nominated during the last nomination cycle compared to the total firm injection quantity scheduled as the FDD Shipper's daily firm injection rights during the previous cycle is greater than the quantity equal to the aggregate Daily Maximum Withdrawal FDQ, Northern shall allocate the firm reductions pro-rata.

D. Interruption of Service

Firm service under this Rate Schedule shall have the highest scheduling priority of Northern's storage services. In addition, service under this Rate Schedule shall be subject to interruption under the terms of the upstream or downstream Firm or Interruptible Throughput Service Agreement(s). Any limitations imposed by such Throughput Service Agreements shall have precedence over Shipper's rights to service herein.

In the event that Northern is required to allocate capacity on its system, service under this Rate Schedule may be constrained by the allocation of capacity to the applicable Throughput Service Agreement.

E. Offering of Service

Available FDD capacity will be posted on Northern's Internet website. Northern shall accept requests for service under this Rate Schedule for FDD quantities available. Such requests must

contain information required to initiate service as defined in Section 27, "Information Required for a Request for Service," of the "GENERAL TERMS AND CONDITIONS" of this Tariff. Priority for service shall be based on the price and term offered by the Shipper. For the purposes of allocating capacity, Shippers willing to pay more than the maximum Tariff rate will be considered to be paying the maximum Tariff rate. Northern, upon receiving such requests including all information required to initiate service, shall notify Shipper of the quantity of FDD capacity available and any inability to provide the service requested. Any allocations required as a result of receiving matching offers will be on a pro rata basis.

F. Rates and Charges

The rates and charges for service under this Rate Schedule shall include each of the following:

1. Reservation Charge

The reservation charge is set forth in Part 4, Section 6 of this Tariff. The reservation charge is billed monthly for 12 months. The monthly bill is equal to the reservation charge multiplied by the Shipper's highest FDQ during the Withdrawal Period.

2. Capacity Charge

The capacity charge is set forth in Part 4, Section 6 of this Tariff. The capacity charge is billed each month during the Injection Period. The monthly bill is equal to the capacity charge multiplied by the FSQ divided by 5. The capacity charge is billed each month of the Injection Period.

3. Injection Charge

The injection charge per Dth is set forth in Part 4, Section 6 of this Tariff. Such charge shall apply to all quantities received by Northern for Shipper's FDD account during the Injection Period, and is billed each month during the Injection Period. The injection charge in the Withdrawal Period shall equal the authorized overrun charge except for the EG option which will incur the Injection Charge.

4. Withdrawal Charge

The withdrawal charge per Dth is set forth in Part 4, Section 6 of this Tariff. Such charge shall apply to all quantities withdrawn from Shipper's FDD account during the Withdrawal Period, and is billed each month during the Withdrawal Period. The withdrawal charge in the Injection Period shall equal the authorized overrun charge except for the EG option which will incur the Withdrawal Charge.

5. Fuel

The FDD Storage Fuel rate is set forth in Part 4, Section 10 of this Tariff. Such rate shall apply to all quantities received by Northern for Shipper's FDD account during the Injection Period.

6. Annual Rollover Charge

The annual rollover charge per Dth is set forth in Part 4, Section 6 of this Tariff. Such charge shall apply to the balance held in Shipper's FDD account as of the end of the Withdrawal Period. This charge is not applicable to the EG option.

7. Authorized Overrun Charge

The authorized overrun charge is equal to the IDD Monthly Inventory Charge as set forth in Part 4, Section 6 of this Tariff. The authorized overrun charge shall be assessed to quantities scheduled above the Shipper's FDQ and to quantities less than or greater than the periodic Account Balance parameters in Shipper's Service Agreement, as provided in Subpart C.1. and Subpart B.2.d.i. of this Rate Schedule.

8. Flexibility

Unless otherwise mutually agreed to by Northern and Shipper, all rates for service herein shall be flexible within the minimum and maximum levels shown in Part 4, Section 6 of this Tariff. The rate(s) Shipper shall pay will be set forth in Shipper's Service Agreement, or otherwise agreed to in writing. Northern shall have the right to charge the maximum rate at any time as a condition of new service or continuation of service beyond the termination date set forth in Shipper's Service Agreement. Northern shall make all filings required by FERC regulation with respect to the rate(s).

9. URR Percentage

The FDD URR percentage is set forth in Part 4, Section 10. Such charge shall apply to all FDD injection quantities received by Northern during the Injection Period.

Billing for FDD service will commence in accordance with Subpart F of this Rate Schedule.

Northern may file with and seek Commission approval under Section 4 of the Natural Gas Act to change any rates or charges set forth in this Rate Schedule from time to time, whenever in Northern's judgment such change is necessary to assure just and reasonable rates. Northern shall notify Shipper of such filing in accordance with Section 4(d) of the Natural Gas Act. Northern may collect such change in rates in accordance with Section 4(e) of the Natural Gas Act.

G. Transportation Service Associated with Storage Service

Deliveries and redeliveries of the FDD quantities shall be subject to the rates, terms and conditions of the upstream or downstream Firm or Interruptible Throughput Service Agreement.

A transportation rate, Fuel and UAF is charged both into and out of a Field Area storage point. Notwithstanding the above, to the extent a volume in the Market Area or Field Area is transported between a transportation point and its associated storage point, no transportation commodity rate, Fuel or UAF charges shall be assessed. A transportation commodity rate, Fuel and UAF is charged for delivery to the Ogden storage point. If redelivery from Ogden is to a Market Area point, there is no additional transportation commodity, Fuel or UAF charges. If the redelivery is to a Field Area point, the applicable Field Area mileage/MID transportation commodity rate, Fuel and UAF is charged. With the exception of Ogden, to the extent a volume is transported from a storage point to a transportation point other than its own associated transportation point then a transportation commodity rate, Fuel and UAF will be assessed.

In addition, there will be no transportation commodity rate, Fuel or UAF charges for transported:

- (1) From a Market Area storage point to MID 17 pooling point.
- (2) From a Market Area Receipt Point to the MID 17 deferred delivery point (POI 71459).

- (3) Between the Ventura point (POI 192) and Ventura deferred delivery point (POI 71460).
- (4) From a Field Area storage point to a Field Area pooling point in the same MID.
- (5) From a Field Area Receipt Point to a Field Area MID storage point in the same MID.

When the Ogden storage point is used, the Shipper must use the same type of service (i.e., firm or interruptible) to transport to and from the storage point, unless agreed to otherwise by Northern on a non-discriminatory basis. However, in the event Shipper has used interruptible service into the FDD account, Shipper may utilize released capacity, under the terms and conditions of Section 47, Capacity Release, to transport quantities from the FDD account.

H. Term of Service Agreement

FDD Agreements entered into prior to implementation of Order No. 636, shall retain any unilateral rollover right (grandfathered rollover right) contained therein. However, should a Shipper request a rollover of an agreement which contains grandfathered rollover rights for less than the term of the original FDD agreement, or a rollover at less than maximum rates, then the FSQ shall be subject to the Right of First Refusal process described in Section 52 of The GENERAL TERMS AND CONDITIONS of this Tariff. If a Shipper under an agreement containing a grandfathered rollover right requests a rollover of less than the FSQ, then only that portion of the agreement for which a rollover was requested will remain subject to the grandfathered rollover right. The remaining quantity shall not be subject to the Right of First Refusal process. If a Shipper under an agreement containing a grandfathered rollover right provides notice of termination pursuant to the agreement, it must notify Northern at the same time of its wishes to have the capacity posted for bids in the Right of First Refusal process. If Shipper does not so notify Northern, the FSQ shall not be subject to the Right of First Refusal process.

FDD Service Agreements at maximum rates with a term of twelve (12) or more consecutive months of service or for a term of more than one (1) year for service not available for twelve consecutive months and FDD Service Agreements at discounted rates entered into prior to March 27, 2000, with a term equal to or greater than one (1) year, shall have a guaranteed Right of First Refusal as provided in Section 52 of the GENERAL TERMS AND CONDITIONS of this Tariff. Northern and Shipper may mutually agree to include ROFR rights in other FDD Agreements on a not unduly discriminatory basis.

Northern and Shipper may agree to different termination dates for specified volumes within the same service agreement on a not unduly discriminatory basis.

Northern and Shipper may agree, on a not unduly discriminatory basis, to contract extensions, including evergreens, rollovers and other extensions.

Northern and Shipper may agree to reduction rights. If Northern and Shipper are unable to agree, Shipper shall be entitled to the following reduction rights, subject to the conditions set forth in Subpart 3. below:

1. Conversion from LDC Sales Service to Transportation. If a firm customer receiving jurisdictional sales service from a Local Distribution Company (LDC) Shipper, served by use of the LDC Shipper's firm deferred delivery service from Northern, converts to transportation service from the LDC and arranges through an upstream supplier for incremental firm deferred delivery service with Northern in lieu of capacity release of the LDC Shipper's firm deferred delivery service, Northern agrees to reduce the LDC Shipper's firm deferred delivery FSQ for a period up to the term of the new firm service agreement. The amount reduced may be no greater than the level of incremental firm deferred delivery service purchased by the upstream supplier from Northern to serve the end use customer of the LDC.

2. LDC Bypass. If a firm end use customer located behind an LDC's system and served by use of an LDC Shipper's firm deferred delivery service on Northern bypasses the LDC and incremental firm deferred delivery service is purchased from Northern for such market, Northern agrees to reduce the LDC Shipper's firm deferred delivery FSQ for a period up to the term of the new firm deferred delivery service agreement. The amount reduced may be no greater than the level of incremental firm deferred delivery service contracted with Northern to serve the firm end use customer of the LDC Shipper after the bypass.
3. The reduction rights in 1. and 2. above are subject to the following:
 - a. Capacity release volumes and interruptible service shall not be considered incremental firm service.
 - b. Northern must be kept revenue neutral except to the extent Northern discounts the incremental entitlement. In determining whether Northern remains revenue neutral, Northern shall consider, in addition to any other relevant factors, any agreements for reimbursement of the cost of construction of facilities, either through the rate or through a CIAC.
 - c. To the extent that the firm end use customer was not exclusively served by Northern, Northern will provide reduction rights on a pro rata basis to Northern's portion of all the customer's firm requirements if the LDC Shipper receives commensurate relief from all other pipelines.
 - d. The firm end use customer has ceased to pay or is expected to cease to pay the LDC Shipper for the firm deferred delivery entitlement used by the LDC to serve the firm end use customer and the LDC submits to Northern a request for reduction.
 - e. LDC Shipper's request for reduction shall state the requested effective date. LDC Shipper's request shall be accompanied by an affidavit from LDC Shipper setting forth the information supporting Shipper's request and such supporting documents as will allow Northern to evaluate the request and verify that LDC Shipper is eligible for a reduction under this Subpart H. Such information shall include the firm entitlement level associated with service to the firm end use customer.
 - f. The effective date of the reduction shall be prospective and shall be the later of:
 - i. the first day of the month following the date of the LDC Shipper's request,
 - ii. the date the firm end use customer ceased paying the LDC for the firm entitlement,
or
 - iii. the effective date of the incremental firm service purchased from Northern.

I. General Terms and Conditions

The GENERAL TERMS AND CONDITIONS of this Tariff are hereby made part of this Rate Schedule. In the event that there is any conflict between the GENERAL TERMS AND CONDITIONS of this Tariff and this Rate Schedule, this Rate Schedule shall have precedence.