

19.3 Capacity

A. Receipt Point Capacity Constraint

In the event of a receipt point capacity constraint, the smallest affected area at the receipt point will be localized and associated deliveries will be curtailed in the following sequence:

1. Interruptible throughput will be curtailed on the basis of the lowest TI price first;
2. Firm service at primary or alternate points will be curtailed pro rata.

Corresponding markets will be curtailed in the same sequence described in paragraphs 1. - 2 immediately above.

B. Delivery Point Capacity Constraint

1. In the event deliveries must be interrupted due to a Delivery Area Capacity constraint, the smallest affected area at the delivery area will be localized and curtailment will be effected in the following sequence:

- a. Interruptible throughput will be curtailed on the basis of the lowest TI price first;
- b. Firm service at primary or alternate points will be curtailed pro rata;
- c. Where there is a constraint at an interconnect, firm service will be curtailed pro rata.

2. Branchline - Affected Area

Notwithstanding the provisions in Section 19.3.B.1. above, any curtailment of deliveries below the total Firm Service MDQ contracted for on any day will be effectuated by operational area on a uniform basis except as provided below:

- a. Northern shall have the right to curtail deliveries of gas in any area on its system pursuant to the following:
 - i. Northern shall determine the areas of its system deemed to be "affected areas" in order to deal with shortfalls in capacity and/or supply.
 - ii. Northern shall notify the Point Operator(s) receiving gas at the delivery point(s) in the Affected Area(s).
- b. In the event a curtailment must be effected the smallest affected area will be localized. Interruptible throughput will be curtailed first on the basis of the lowest TI price first. Northern shall then curtail deliveries above the level of other firm entitlement attributed to the TBS or community in the Affected Area before curtailing below such firm entitlement. If it is necessary to curtail below firm entitlement, Northern will do so pro rata.