32.1 General

A. Definitions

1. Volumetric Imbalance. Volumetric imbalance shall mean the volume difference between receipts and deliveries, without consideration of the dollar value of such volume but with consideration of the applicable Fuel and UAF.

2. Dollar Valuation or Dollar Volume Imbalance. Dollar Valuation or Dollar Volume Imbalance shall be calculated by first determining the monthly Volumetric Imbalance and then multiplying it by the applicable Monthly Index Price (as defined below) for the same month.

B. Dollar Valuation

Northern and Shipper, or its Designee, shall receive and deliver thermally equivalent gas volumes as nearly as practicable at uniform hourly and daily rates of flow. Volume differences between monthly receipts and deliveries shall be accumulated and recorded in a Shipper account. Northern and Shipper shall manage monthly receipts or deliveries so that the account balance shall be kept as near to zero as practicable. Imbalances shall be valued on a dollar volume basis, which means that Northern will first determine the imbalance quantity for each month by legal entity on an Dth basis and then will determine a dollar value using the Dth quantity and the applicable Monthly Index Price, as tiered for imbalance level. Dollar Valuation will not apply to volumes that have been injected into or withdrawn from storage under the Monthly Imbalance-to-Storage provisions set forth in Subsection 32.3 A.3. below.

C. Imbalance Statements

The imbalance statements shall be made available to the Shipper on the 9th Business Day of each month.

Upon termination of the Throughput Service Agreement, any remaining imbalances shall be cashed out/in within thirty (30) days from the date of termination.