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SYSTEM MANAGEMENT SERVICE AGREEMENT

This System Management Service Agreement ("Agreement") by and between Northern Natural Gas Company ("Northern") and \_\_\_\_\_ ("Shipper"), covering daily variances between volumes scheduled at delivery points and volumes actually taken at the delivery points under the Throughput Service Agreement listed on Appendix "A," which is attached hereto and incorporated by reference ("Corresponding Throughput Service Agreement"), is entered into in accordance with the following terms and conditions:

CONTRACT NO.: \_\_\_\_\_

SMS CONTRACT QUANTITY (SMSQ): \_\_\_\_\_ DTH/day

TERM: This Agreement shall become effective on \_\_\_\_\_ and shall have a term ending on \_\_\_\_\_.

RATE: Shipper shall pay Northern each month for System Management Service rendered hereunder at the maximum rates or charges in effect from time to time under Rate Schedule SMS, or any effective superseding Rate Schedule on file with the Commission.

Shipper's Name and Address for Notices:

\_\_\_\_\_  
\_\_\_\_\_

Shipper's Name and Address for Invoices:

\_\_\_\_\_  
\_\_\_\_\_

This Agreement supersedes and cancels the following System Management Service Agreement(s) between the parties hereto: \_\_\_\_\_

The parties agree that a facsimile or other electronic version of this document, when properly executed and transmitted, shall be considered for all purposes to be an original document, and shall be deemed for all purposes to be signed and constitute a binding agreement. The entire agreement must be faxed or transmitted to Northern. Upon Northern's acceptance and execution, an executed copy will be returned via FAX to the number appearing on the faxed offer or such other number as directed or otherwise electronically transmitted.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No promises, agreements or warranties additional to this Agreement other than as may be contained in Northern's FERC Gas Tariff will be deemed to be a part of this Agreement nor will any alteration, amendment or modification be effective unless confirmed in writing by the parties.

ADDITIONAL TERMS AND CONDITIONS: The additional Terms and Conditions and Appendix "A" attached hereto are incorporated herein by reference and made a part of this Agreement.

[if applicable] TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

[FOR SMS CONTRACTS WITH A TERM OF ONE MONTH OR LESS:] If Northern and Shipper have agreed in writing in advance, this Agreement shall be deemed to be executed and shall be binding for all purposes if (1) Shipper nominates under this Agreement; or (2) Shipper has not notified Northern in writing that it declines this Agreement within two (2) business days of the date of the Agreement.

This Agreement constitutes a contract with Northern Natural Gas Company subject to the Terms and Conditions and Appendix "A" attached hereto.

NORTHERN NATURAL GAS COMPANY

[SHIPPER]

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

TERMS AND CONDITIONS

SECTION 1. MAXIMUM DAILY QUANTITY

The daily SMS Contract Quantity (SMSQ) shall be the maximum positive or negative variance that Shipper may vary between daily scheduled and actual quantities of natural gas delivered to the delivery points under the Corresponding Throughput Service Agreement without being subject to Delivery Point Variance Charges. The SMSQ for each delivery point is set forth on Appendix "A."

SECTION 2. TERMINATION

Termination of this Agreement shall not relieve Shipper of the obligation to pay money due hereunder to Northern.

SECTION 3. GENERAL

3.1 This Agreement in all respects shall be subject to the applicable provisions of Rate Schedule TF, TFX and GS-T contained in Northern's FERC Gas Tariff, as may be revised from time to time.

3.2 The applicable provisions of Northern's Rate Schedule SMS and the GENERAL TERMS AND CONDITIONS set forth in Northern's FERC Gas Tariff, as may be revised from time to time, are hereby incorporated by reference and made a part hereof.

3.3 An SMS Shipper may release SMS, either permanently or temporarily, subject to the applicable provisions of Section 47 of the GENERAL TERMS AND CONDITIONS of Northern's FERC Gas Tariff.

3.4 Northern may file and seek Commission approval under Section 4 of the Natural Gas Act ("NGA") at any time and from time to time to change any rates, charges or other provisions of the SMS Rate Schedule and the GENERAL TERMS AND CONDITIONS in Northern's FERC Gas Tariff, and Northern shall have the right to place such changes in effect in accordance with the NGA, and this Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission Order, without prejudice to Shipper's right to protest the same.

SECTION 4. NOTICES

Any notice, statement, or bill provided for in this Agreement shall be in writing and shall be considered as having been given if delivered personally, or if mailed by United States mail, postage prepaid, or if sent by express mail, overnight delivery, telex, telecopy or other mutually agreeable means of electronic transmission, to Shipper when sent to the address set forth on the face of this Agreement and to Northern when sent to the following:

Accounting Matters: Northern Natural Gas Company  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All Notices: Northern Natural Gas Company  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Payments: Northern Natural Gas Company  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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Contract No.: \_\_\_\_\_  
Request No.: \_\_\_\_\_  
Amendment No.: \_\_\_\_\_ [if applicable]

Appendix A  
System Management Service Agreement

Shipper: \_\_\_\_\_

Term: \_\_\_\_\_ through \_\_\_\_\_

Corresponding Throughput Service Agreement No.: \_\_\_\_\_

SMS Contract Quantity: \_\_\_\_\_ Dth/day

<u>POI #</u>	<u>Delivery Point</u>	<u>Daily SMS Contract Quantity (Dth)</u>
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	Total	_____
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