

[Company
Logo]

(Placement on page, number of pages, format, paragraph numbering and order, capitalization and font may vary)

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.

[IF APPLICABLE, FOR FOREIGN ENTITIES ONLY]

Governing law; Jurisdiction; Consent to Suit.

(A) As to all matters of construction and interpretation, this Agreement shall be governed by the laws of the State of Nebraska, without regard to conflict of laws principles and without regard to the United Nations Convention on Contracts for the International Sale of Goods.

(B) Without prejudice to Northern's right to bring suit in any appropriate domestic or foreign jurisdiction, any proceeding to enforce this Agreement may be brought by Northern in any state or federal court in the State of Nebraska of the United States of America. Shipper hereby irrevocably consents to jurisdiction and venue in Nebraska and waives any present or future objection to jurisdiction or venue in Nebraska. Shipper further agrees that final judgment against it in any such action or proceeding arising out of or relating to this Agreement shall be conclusive and may be enforced in any other competent jurisdiction within or outside the United States of America by suit on the judgment.

(C) Prior to execution of this Agreement by Northern, Shipper irrevocably designates and appoints _____{agent name}, _____{agent full address} as its authorized agent to receive, accept and acknowledge on its behalf service of process in any proceeding under this Agreement, and shall provide Northern with evidence of the prepayment in full of the fees of such agent, in a form satisfactory to Northern. Shipper agrees that service of process, writ, judgment or other notice of legal process upon said agent shall be deemed and held in every respect to be effective personal service upon it. Shipper shall maintain such appointment (or that of a successor satisfactory to Northern) continuously in effect at all times while Shipper is obligated under this Agreement or any replacement Agreement. Nothing herein shall affect Northern's right to serve process in any other manner permitted by applicable law.

(D) Northern shall have the option to refer any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or validity thereof, including any dispute concerning the scope of this arbitration clause, for final settlement by arbitration. Such arbitration proceedings shall be conducted in accordance with the Rules of Arbitration of the International Chamber of Commerce by a panel of three arbitrators appointed in accordance with said Rules, one appointed by Northern, one appointed by Shipper, and the third arbitrator jointly appointed by the other two arbitrators. The neutral arbitrator shall act as chairperson. In no event shall Shipper be entitled to invoke arbitration pursuant to this subsection or otherwise. Shipper irrevocably waives any present or future objection to resolving any dispute, controversy or claim arising out of or relating to this Agreement by arbitration, and irrevocably consents and submits unconditionally to the non-exclusive jurisdiction for itself and in respect of any of its property of any arbitral panel appointed in accordance with this subsection. Arbitral awards shall be rendered within nine (9) months of the commencement of the arbitration, unless such time limit is extended by the arbitrators. Consistent with the expedited nature of arbitration, pre-hearing information exchange shall be carried out expeditiously and shall be limited to the reasonable production of relevant, non-privileged documents explicitly referred to by a party for the purpose of supporting relevant facts presented in

its case. The place of the arbitration shall be Omaha, Nebraska, U.S.A. The language of the arbitration shall be English. In an action or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover costs and attorneys' fees. [End Provision]

[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

(Placement on page, number of pages, format, capitalization and font may vary)

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

POI #

Delivery Point

Daily SMS Contract Quantity (Dth)

Total _____