

GENERAL TERMS AND CONDITIONS

- I. Revenues associated with DDVC charges shall be credited to Shippers in accordance with Section 57 of the GENERAL TERMS AND CONDITIONS of this Tariff.
- J. In the event a Shipper would be assessed both a receipt point scheduling penalty and DDVC charge for the same scheduling variance from a receipt point to a delivery point, Northern will charge the Shipper the higher of the receipt point scheduling penalty or the DDVC charge, but not both.
- K. Northern reserves the right to waive DDVC's in a not unduly discriminatory manner. In the event Northern calls a Critical or SOL Day, negative DDVCs for the affected area will be waived. In the event Northern calls an SUL day, positive and punitive DDVCs for the affected area will be waived.
- L. Northern shall provide affected parties with notification of Critical Days through the Shipper's choice of Electronic Notice Delivery Mechanism. Unless the affected party and Northern have agreed to exclusive notification via EDI/EDM, the affected party should provide Northern with at least one Internet E-mail address to be used for Electronic Notice Delivery of notification of Critical Days. The obligation of Northern to provide notification is waived until the above requirement has been met. Northern will support the concurrent sending of electronic notification of Critical Days to two Internet E-mail addresses for each affected party. Affected parties will manage internal distribution of notices received by Electronic Notice Delivery.

49. No-Notice Obligation

Pursuant to Order No. 636, et seq., Northern is obligated to provide to previously existing firm sales customers a no-notice throughput service. Northern will meet this obligation through its System Management Service (SMS).

50. System Balancing Agreement (SBA)

Northern will enter into SBA agreements that provide for at least 1.35 Bcf of Peaking SBA and 2.94 Bcf of Peak and Draft SBA each year. SBA's are agreements between a party and Northern that will provide that the SBA provider will, at Northern's direction, move gas to and from Northern's pipeline system by creating a positive or negative balance on the SBA agreement. The SBA provider may be any qualified LDC, producer, supplier or Shipper. SBA fees to fulfill the overall SBA requirements will be as agreed to between SBA providers and Northern.