

RATE SCHEDULE FDD  
Firm Deferred Delivery Service

E. Withdrawal Period

Shipper shall be entitled to nominate a quantity of natural gas for withdrawal up to its FDQ at an available designated storage point during the Withdrawal Period as specified in Shipper's FDD Service Agreement. Upon acceptance of such nomination by Northern, Northern shall make available at the storage point the quantity of natural gas scheduled for FDD service. Shipper's total withdrawals at any storage point may not exceed its total injections at such storage point. Shipper shall specify in its nomination under a Firm or Interruptible Throughput Service Agreement the storage point as the receipt point for such delivery. Deliveries to and receipts from Shipper's account under this Rate Schedule shall not be subject to interruption except as provided herein.

F. Account Balance Transfer

To the extent allowed by the parameters of Shipper's FDD account(s), Shipper may, upon advising Northern, transfer its Account Balances (1) among different Shippers' FDD accounts, and/or, (2) between its own FDD accounts with no additional injection or withdrawal fees, and no transportation fees provided that the Shipper's accounts are held at the same storage point. Provided Northern is not allocating due to capacity constraint(s), transfer of Account Balances between storage points, either on one account or among multiple accounts, shall not be charged injection or withdrawal fees but will be charged the applicable transportation fees. A transportation constraint in the Market Area will have no impact on the ability of Shippers to transfer Account Balances in the Field Area. A transportation constraint in the Field Area will have no impact on the ability of Shippers to transfer Account Balances in the Market Area. However, account balance transfers between accounts are limited to Account Balances where the Shippers have selected the same service type as provided in Section 2.B. of this Rate Schedule, i.e., GIP, 3-Step, 4-Step or EG. Further, the Account Balance transfer shall not be allowed to create a negative Account Balance for any party involved in the transaction.

G. FDD Consolidation Agreement for Same Storage Options

One or more Shippers may consolidate FDD Service Agreements into a single consolidated FDD Service Agreement administered by an agent/operator for purposes of nomination, scheduling, balancing and invoicing. For purposes of this section, an agent/operator could be a consolidating Shipper. The rights and obligations under the consolidated FDD Service Agreement will be the same as the collective rights of the individual FDD Service Agreements. FDD consolidation will not affect Northern's ability to provide firm service to the consolidating Shippers or other firm Shippers.

Each consolidated FDD Service Agreement must have the same options pursuant to Section 2.B. of this Rate Schedule.

Market-based-rate FDD Service Agreements may be consolidated with non-market-based rate FDD Service Agreements, provided all of the underlying FDD Service Agreements and the consolidated FDD Service Agreement have the same options pursuant to Section 2.B of this Rate Schedule, as well as equivalent commodity rate components. In order to separately account for all revenues associated with facilities used to provide market-based storage services, reservation charge revenues under the consolidated FDD Service Agreement will be accounted for based on each shipper's respective tariff and market-based reservation charges, and capacity charge revenues under the consolidated FDD Service Agreement will be accounted for based on each Shipper's respective tariff and market-based capacity charges. Further, Northern will pro-rate commodity revenues based on each Shipper's respective tariff and market-based FSQs.

Shipper and Shipper's agent/operator shall have executed an FDD Consolidation Agreement with Northern in the form contained in this Tariff. The form of service agreement used to facilitate the FDD Consolidation Agreement will be the Firm Deferred Delivery Service Agreement under Sheet Nos. 441 and 441A. The rates and terms and conditions of service shall be set forth in an Amendment.

Shipper agrees that the agent/operator will nominate under the consolidated FDD Agreement, and neither Shipper nor agent will nominate under Shipper's individual FDD Service Agreement.