

Electronic Contracting Agreement

Please submit Request to: Northern Natural Gas Company
1111 South 103rd Street
Omaha, Nebraska 68124
Email: nngcontracts@nngco.com
Fax: (402) 398-7117

ELECTRONIC CONTRACTING AGREEMENT FORM

This Electronic Contracting Agreement (Agreement) is made and entered into by and between Northern Natural Gas Company ("Company"), _____ ("Customer") and _____ ("Employee of Customer") (each individually referred to as "Party" and collectively referred to as "Parties").

WHEREAS Employee of Customer desires to access Company's electronic contracting system for the purpose of electronic execution of Customer's contracts with Company.

WHEREAS, Company is willing to allow Employee of Customer such access in accordance with the terms and conditions of this Agreement.

WHEREAS, Customer and Company desire to transact business electronically, including execution of contracts, as further described herein.

NOW, THEREFORE, the Parties agree as follows:

1. Security, Software and Equipment.

a. Company shall provide Employee of Customer with a separate log-on identification code (ID Codes) and password. In addition, Company shall provide customer communication software for access to Company's electronic contracting system (the ID Codes, passwords, communication software and the electronic contracting system are cumulatively referred to herein as the "System"). Customer agrees that only those employees it authorizes to conduct business (Qualifying Employees) shall be allowed to apply for ID Codes, passwords and access to the System. Employee of Customer verifies that it is a Qualifying Employee for the types of transactions indicated herein. All Qualifying Employees shall complete and submit this form to Company prior to accessing the System. *Customer and Employee of Customer shall maintain the ID Codes and passwords in the utmost confidence and shall not use the System except as authorized herein and shall not disclose ID Codes or passwords to others. If Employee of Customer leaves the employment of Customer or his/her scope of employment does not require access to the System, Customer will immediately so notify Company. Customer agrees to take all necessary precautions to ensure that no other party, except its Qualifying Employees, shall use the ID Codes and/or passwords.*

b. Except for the restricted right to use the System provided herein, Customer is granted no rights under the System. Customer shall not copy the System or use the System to prepare derivative works. Customer shall properly use the System in accordance with Company's instructions, shall make no effort to improperly access the System or the computers on which the System is operating, and shall make no effort to reverse-engineer the System.

2. Electronic Execution of Documents: The Contracting and Capacity Release Applications of the System.

a. This Agreement has been executed by the Parties to evidence their mutual intent to create binding obligations by means of electronic execution of documents using the Company's contracting and capacity release applications. Reference to the word "Documents" herein shall mean service agreements, amendments to service agreements, capacity release transactions, operational balancing agreements, and any other agreements or forms that Company shall make available on its Internet website from time to time. All Documents properly electronically executed by means of a "click" on the designated space, pursuant to the specified procedures set forth in this Agreement shall be considered, in connection with any transaction or this Agreement, to be a "writing" or "in writing" and any such Document shall be deemed for all purposes (i) to have been "signed" (Signed Documents) and (ii) to constitute an "original" when printed from electronic files or records



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established and maintained in the normal course of business. Provided that the signature has been made in accordance with the terms of Company's FERC Gas Tariff, the Parties agree not to contest the validity or enforceability of such electronic signatures under the provision of any applicable law relating to (A) the authority of any Qualifying Employee to enter into the contract or (B) whether certain agreements are to be in writing or signed by the Party to be bound thereby. Signed Documents, if introduced as evidence in any judicial, arbitration, mediation or administrative proceeding, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in paper documentary forms. Neither Party shall contest the admissibility of Signed Documents on the basis that the Signed Documents were not originated or maintained in documentary form. Customer and Employee of Customer have reviewed and understand the procedures established in this Agreement, Company's FERC Gas Tariff and as explained by Company with respect to the execution of Documents, and agree to comply with such procedures (and with any changes or amendments to procedures as made in the FERC Gas Tariff of Company or as published on the Company's website) in connection with such Documents and transactions.

b. **Contracts Application.** It is the Customer's responsibility to monitor the contracting application for any Document to be initiated or electronically signed. By "clicking" on the designated space provided on the Document, Customer is deemed to execute the Service Agreement, amendment or other contract that is made available on the contracting application.

c. **Capacity Release Application.** It is the Customer's responsibility to go to the capacity release application either to post or to bid upon transportation capacity. A capacity release transaction is initiated by the posting of capacity by any Customer. **(i) Releasing Customer.** Any Customer posting capacity for capacity release ("Releasing Customer") hereby agrees that by a "click" on the space designated as "Execute," which will electronically post capacity, such Releasing Customer is submitting an executed amendment to Releasing Customer's underlying contract, which will effectuate the capacity release transaction and which will take effect only either by the confirmation by the customer acquiring the capacity in a prearranged transaction or by the award of part or all of the capacity to one or more customer(s) submitting bids on the posted capacity (collectively referred to as "Acquiring Customer"). **(ii) Acquiring Customer.** Any Acquiring Customer who confirms a prearranged transaction agrees that such confirmation is an electronic execution, pursuant to the terms of this Agreement, of a service agreement for the service as described in the posting. Any Acquiring Customer who submits a bid for posted capacity hereby agrees that submission of such bid electronically is an execution of a service agreement for the service set out in the bid and such agreement is effective upon award of the bid.

d. **Electronic Disclaimers or Warnings.** Company may at times communicate disclaimers or warnings via electronic means as part of the contracting process. Customer hereby consents to this form of communication.

3. Customer is being allowed to use the System solely for Customer's convenience. Thus, Customer's use of the System is "AS IS, WHERE IS," and with all faults. Customer agrees there are no representations or warranties, express or implied, that might arise in connection with this Agreement or Customer's use of the System. Additionally, COMPANY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Customer agrees Company shall have no liability whatsoever, whether in contract or tort, for any losses sustained as a result of failures or deficiencies in the System. In no event shall Company be liable for any failures or deficiencies in the System. In no event shall Company be liable for any incidental, consequential, special or punitive damages arising out of or in connection with the delivery, use or performance of the System. Customer assumes all risks of loss or liability arising out of its use of the System and hereby agrees to hold harmless and indemnify Company from and against all claims, demands and causes of action (as well as all liabilities, costs, judgments or expenses incurred by Company) brought by third parties based upon, arising out of or resulting from Customer's use of the System, except that Company will remain liable for its own gross negligence or willful misconduct.
4. Both Customer and Company shall have the right to terminate this Agreement at any time for any reason whatsoever, with or without cause. Company shall have the right to modify or terminate its electronic contracting process and/or Customer's or any Qualifying Employee's right to use the



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System at any time. Company also reserves the right to invalidate ID Codes and passwords and shall provide reasonable notice of such invalidation. Upon termination of this Agreement or upon request by Company, Customer or any Qualifying Employee shall thereafter immediately cease all use of the System.

- 5. This Agreement is personal to Customer and Employee of Customer and may not be assigned, licensed or transferred.
- 6. All Documents and transactions entered into using the System are subject to Company’s FERC Gas Tariff, as revised from time to time, and any applicable laws and regulations.
- 7. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN 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.
- 8. This Agreement terminates and supersedes any other Electronic Subscriber Agreement entered into between Company and Customer. The terms and provisions of this Agreement supersede any oral representations among the Parties or any conflicting terms and conditions in any other agreement with regard to the subject matter of this Agreement. This Agreement, along with all NNG Customer Activities Access Forms executed by Employee of Customer, contains the entire agreement between the Parties with respect to the subject matter hereof and shall not be modified except by written instrument duly executed by both Parties. This Agreement shall be governed and construed in accordance with the laws of the STATE OF NEBRASKA, excluding any conflicts of law, rule or principle that might refer same to the laws of another jurisdiction.
- 9. Any notice provided for in this Agreement shall be in writing and shall be considered as having been given if sent by facsimile, delivered personally or if mailed by United States mail postage prepaid to the following address.

Northern Natural Gas Company

Attn: Contract Administration
 P.O. Box 3330
 Omaha, NE 68103-0330
 Phone: (402) 960-7950
 Fax: (402) 398-7117
 E-mail: nngcontracts@nngco.com

Customer/Employee of Customer

Attn:
Address:
Phone:
Fax:
E-mail:

IN WITNESS WHEREOF, Company, Customer and Employee of Customer have executed this Agreement to be effective the _____ day of _____, 20_____.

NORTHERN NATURAL GAS COMPANY

CUSTOMER/EMPLOYEE OF CUSTOMER

Signed:

Signed:

Print:

Print:

Title:

Title: