

**NORTHWEST PIPELINE GP
SUNDANCE TRAIL EXPANSION - BINDING OPEN SEASON
TERM SHEET**

Binding Open Season:

In anticipation of the numerous pipeline projects recently proposed to transport gas from the Opal Hub to various markets, Northwest is offering 150,000 Dth/d of firm transportation from the Greasewood and Meeker Hubs in the Piceance Basin for delivery to the Opal Hub. This project proposes to utilize available capacity on the Colorado Hub Connection (“CHC”) lateral and/or Piceance lateral in combination with available and expanded capacity on Northwest’s mainline. The Piceance lateral that connects the Greasewood Hub to Northwest’s mainline near Rangely, Colorado has 22,327 Dth/d of available capacity that can be matched up with a portion of the available and future expanded mainline capacity. The CHC lateral that connects the Meeker Hub to Northwest’s mainline near Sand Springs is expected to have approximately 150,000 Dth/d of capacity that can be matched up with existing and expanded mainline capacity that is anticipated to be available. New delivery interconnect(s) with existing or proposed pipelines at the Opal Hub will be incorporated into the project based upon requests.

Receipt Options:

Colorado Hub Lateral (approximately 150,000 Dth)
White River Hub
Enterprise Meeker Plant

Piceance Lateral (up to a total of 22,327 Dth)
Hatch Gulch (ExxonMobil Piceance Creek Unit)
Collins Gulch (Williams Parachute Lateral)
White River Hub
Greasewood (Public Service Co. of Colorado)
Yellow Creek (Bass Resources/Dominion RMP)

Shippers can elect the above receipt options and any other existing receipt points within the Greasewood/Meeker Hub to Opal Hub path for a combined total of approximately 150,000 Dth/d.

Delivery Options:

Shippers can request new delivery interconnects at the Opal Hub with existing or other proposed pipeline projects. Shippers can also elect any other existing delivery point within the Greasewood/Meeker Hub to Opal Hub path such as: Kern River – Muddy Creek, CIG – Green River, and/or Clay Basin Storage.

Facilities:

In order to provide the offered service, Northwest proposes to install approximately 2,200 HP of compression at its Vernal compressor station and construct approximately 16 miles of 30" pipeline that will parallel its existing pipeline between the Green River and Muddy Creek compressor stations in southwest Wyoming.

Target In-Service:

The required mainline facilities and related transportation capacity outlined in this open season could be made available for service as early as November 2010.

Rates:

The rolled-in system-wide reservation and volumetric charges are intended to apply, as they may change from time to time. Northwest's currently effective daily reservation charge is \$0.37883 per Dth and the current volumetric charge is \$0.03190 per Dth. The current fuel retention rate is 1.73%.

Contract Term:

The minimum acceptable term is ten years from the commencement of the in-service date of the Sundance Trail Expansion facilities. Offers for capacity subscriptions for longer than ten years will be a factor in determining the winning bids for capacity through a present value analysis.

Open Season Procedures:

This binding Open Season process will be conducted as follows:

Northwest will provide a binding precedent agreement reflecting the terms and conditions of the service to each shipper desiring to participate in the Sundance Trail Expansion project. Shippers having an interest in obtaining the offered firm service must complete, sign and return the binding precedent agreement via mail or facsimile not later than 3:00 p.m. (MST) on March 6, 2008 to:

Northwest Pipeline GP
Business Development
295 Chipeta Way
Salt Lake City, Utah 84108
Fax: (801) 584-6950
Attention: Larry Larsen or Hank Henrie

The binding precedent agreement will allow shippers to indicate their specific receipt and delivery point requests. Based on the commitments for capacity and services in the binding Open Season, Northwest will complete the design of the mainline facilities necessary to accommodate the various requests for service.

Awarding Capacity:

Based upon the commitment offers received, Northwest will make a final determination of the capacity being offered under the Sundance Trail Expansion and award the winning bids. In awarding the winning bids, Northwest will first determine which combination of bids maximizes the use of pipeline capacity. Next, Northwest will award capacity to the shipper providing the bid with the highest present value. Such present value analysis, gives greater weight to larger quantity and longer-term contractual commitments.

In the event that shippers request more capacity than is available, and the present value evaluations indicate a tie, available capacity will be awarded pro rata based on each shipper's requested quantity.

Northwest will confirm the award of capacity to winning bidders by executing those precedent agreements (with amended Exhibit A's, if applicable) and finalize project design in preparation of submitting the necessary certificate application to the FERC.

If you have any questions concerning this binding Open Season, please contact Larry Larsen at (801) 584-6645 or Hank Henrie at (801) 584-6625.