



Requesting Available and Potentially Available TF-1 Capacity

Policy and Procedure

Revised 6/26/2018

NORTHWEST'S POLICY AND PROCEDURES FOR REQUESTING AVAILABLE AND POTENTIALLY AVAILABLE CAPACITY

NOTE: Northwest's policies and procedures are governed by its FERC Gas Tariff (Tariff). Therefore, while this document provides a summary of some of Northwest's relevant Tariff provisions, it does not supersede or otherwise modify the Tariff.

Requests for available capacity pursuant to Section 25 of the General Terms and Conditions (GT&C) can be made once the capacity has been posted on Northwest's TSP Capacity Offering Report or its Unsubscribed Capacity Report. Shippers can also submit a request for subscribed capacity posted on Northwest's TSP Capacity Offering Report or Index of Customers Report if Northwest has a bi-lateral right to terminate the capacity. Requests for subscribed capacity can be made up to three years prior to the primary term end date or the anniversary date of the subscribed capacity. Requests for subscribed capacity, where the current contract holder is eligible for a right of first refusal (ROFR), must be made at least twelve (12) months prior to the primary term end date or anniversary date of the subscribed capacity.

Northwest will footnote on its TSP Capacity Offering Report if it has established a disclosed or undisclosed reserve rate associated with a predefined package. In addition to the predefined packages listed on the TSP Capacity Offering Report, Northwest will evaluate, within two business days, a shipper's request to:

- combine two or more predefined packages,
- modify a predefined package using other available capacity posted on the Unsubscribed Capacity Report,
- create a package by selecting available capacity (receipt point, delivery point, and mainline) posted on the Unsubscribed Capacity Report, or
- increase the economic value of their bid by offering to extend other service agreement(s).

If the shipper's request is for a segment of the mainline capacity that Northwest determines may cause operational harm, such request will be subject to a contract-specific OFO obligation or other contract terms acceptable to Northwest.

A request for available point capacity for amendment or segmentation purposes can be made no earlier than thirty (30) calendar days prior to the proposed commencement date of service and will not be accepted unless firm capacity to render the service is available on Northwest's Unsubscribed Capacity Report consistent with Section 25.5 (c) of the GT&C of the Tariff; provided, however, if (i) additional facilities on Northwest's system are required; (ii) Northwest

posts the requested capacity for bid; (iii) Northwest announces an open season for the requested capacity; (iv) shipper extends a service agreement in exchange for Northwest granting segmentation rights utilizing posted available point capacity; or (v) in order to facilitate the abandonment of Northwest facilities, then a request may be made at an earlier date.

Further, pursuant to Section 25.5(c), requests for posted point capacity that do not require additional mainline capacity are not subject to the bidding procedures described in Section 25, while requests that do require additional unsubscribed mainline may be subject to such bidding procedures. Under Section 11.7 of the GT&C, Northwest and shipper may mutually agree to negotiate the terms of shipper's service agreement(s) in exchange for extending the primary term end date on service agreement(s). In exchange for such extensions, Northwest may also negotiate point amendment requests on capacity release agreements that require additional unsubscribed mainline capacity, even if such requests result in an overlap of capacity on the mainline.

If available capacity is being reserved for a future expansion project, shippers can request the capacity on an interim basis.