

STATE OF SOUTH DAKOTA
GAS RATE SCHEDULE

South Dakota Intrastate Pipeline Company
105 South Euclid Avenue Suite E
Pierre, SD 57501

SD P.U.C. Section No. 5
Original Sheet No. 1

RULES

1. QUALITY STANDARDS OF GAS RECEIVED BY SD INTRASTATE PIPELINE CO.
South Dakota Intrastate Pipeline Company may refuse to accept gas which does not conform to the following Northern Border Pipeline Co. specifications or such specifications as revised from time to time. These specifications are:
 - a) The gas shall not contain sand, dust, gums, crude oil, impurities or other objectional substances at a level which may be injurious to pipelines or may interfere with the transmission of gas.
 - b) The gas shall have a hydrocarbon dew-point less than -5 degrees Fahrenheit at 800 psia, -10 degrees Fahrenheit at 1000 psia, or -18 degrees Fahrenheit at 1100 psia, or such higher dew-point approved by the Company as, without treatment by the Company, may be compatible with the operating conditions of the Company's pipeline.
 - c) The gas shall not contain more than 0.3 grains of hydrogen sulphide per 100 cubic feet.
 - d) The gas shall not contain more than 2 grains of total sulphur per 100 cubic feet.
 - e) The gas shall contain not more than three-tenths grains of mercaptan sulphur per 100 cubic feet, or such higher content as, in the Company's judgement, would result in deliveries by the Company to customers of gas containing more than three-tenths grains of mercaptan sulphur per 100 cubic feet.
 - f) The gas shall not contain more than two percent by volume of carbon dioxide.
 - g) The gas shall not have a water vapor content in excess of four pounds per thousand Mcf, unless the shipper delivers gas to the Company at a higher water vapor content.
 - h) The gas shall be as free of oxygen as it can be kept through the exercise of all reasonable precautions and shall not in any event contain more than four-tenths of one percent by volume of oxygen.
 - i) The gas shall have a gross heating value of not less than 967 Btu per cubic foot.

Date Filed: March 28, 1996

Effective Date: April 9, 1996

Issued By: Lisa A. Murphy, Vice President-Chief Financial Officer

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2. Quality Tests. At the point of receipt of customers, the Company shall cause tests to be made, by approved standard methods in general use in the gas industry, to determine whether the gas conforms to the quality specifications set out in paragraph one of this section. Such tests shall be made at such intervals as the Company may deem reasonable, and at other times, but not more often than once per day, at the request of the customers.
3. Failure to Conform. If gas delivered by the customers does not comply with the quality specifications set out in paragraph one of this section hereof, the Company shall have the right, in addition to all other remedies available to it by law, to refuse to accept any such gas. The Company may, at its option and upon notice to its customers, accept receipt of gas not complying with the quality specifications set out in paragraph one of this section herein provided. The Company, at the expense of the customers, may make all changes necessary to bring such gas into compliance with such specifications. No refusal to accept gas in accordance with this paragraph three shall reduce the customer's minimum quantity obligations.
4. Quality Standards of Gas Transported By the Company. The Company shall use reasonable diligence to deliver gas for its customers which shall meet the quality specifications set out in paragraph one of this section hereof, but shall only be obligated to deliver gas of the quality which results from the commingling of the gas received by the Company from its customers except as the Company may choose to do so pursuant to paragraph three hereof, shall not be required to treat any gas delivered to it by its customers.
5. Measurement Procedures. Quantities of gas received and delivered shall be measured in accordance with Procedures contained in ANSI-API 2530, First Edition, AGA Committee Report No. 5, AGA Committee Report No. 7, and AGA Committee Report No. 8, or revisions or amendments thereto.
6. Measurement Unit for Billing Purposes. The measurement unit for billing purposes shall be in dekatherms (dkt's).
7. Billing. The Company will bill each customer on a monthly basis. The customer shall have the right to examine at reasonable times, books, records, and charts of the Company to the extent necessary to verify the accuracy of any statement, charge, or computation made.

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8. Force Majeure. If by reason of force majeure the Company is rendered unable, wholly or in part, to carry out its transportation obligations, and if the Company gives notice and reasonable particulars of such force majeure in writing or by facsimile or telephone to the customer as soon as possible after the occurrence of the cause relied on, the Company shall not be liable in damages during the continuance of any inability to transport natural gas. Such causes or contingencies affecting the performance by the Company, shall not relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and within reasonable dispatch.
- 8.1 Definition. The term "force majeure" shall mean acts of God, strikes, lockouts, or other industrial disturbances; acts of a public enemy, wars, blockades, insurrection, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts; arrests and restraints of the government, either federal or state, civil or military, civil disturbances; shutdowns for purposes of necessary repairs, relocation, or construction of facilities; breakage or accident to machinery or lines of pipe; the necessity for testing (as required by governmental authority or as deemed necessary by repairs or alterations to machinery or lines of pipe); failure of surface equipment or pipelines; accidents, breakdowns, inability to obtain necessary material, supplies, or permits, or labor to perform or comply with obligations, rights of way, and any other causes, whether of the kind herein enumerated or otherwise, which are not reasonably in control of the Company.

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