

CLASS OF SERVICE: Gas Transportation Tariffs
RATE DESIGNATION: Glossary of Terms

1. **Balance** - The Customer's obligation to make Deliveries equal Receipts.
2. **Billing Period** - Shall mean the period beginning at 9:00 a.m. CCT, on the first day of a calendar month and ending at the same hour on the first day of the next succeeding calendar month, unless a different period of time is specified in the Service Request Form. C
3. **CCT** – Central Clock Time follows the same time changes as Central Standard Time and Central Daylight Time in the Central Time Zone. N
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4. **Commodity Charge** - Amount based upon the quantity of gas transported.
5. **Company** - Northwestern Energy. T
6. **Critical Day** - A Critical Day shall be a day which may be declared by the Company whenever any of the following five conditions occurs or is anticipated to occur: (a) when the Company experiences failure of transmission, distribution, gas storage or gas manufacturing facilities; (b) when transmission system pressures or other unusual conditions jeopardize the operation of the Company's system; (c) when the Company's transportation, storage, and supply resources are being used at or near their maximum rated deliverability; (d) when any of the Company's transporters or suppliers call the equivalent of a Critical Day; or (e) when the Company is unable to fulfill its firm contractual obligations or otherwise when necessary to maintain the overall operational integrity of all or a part of the Company's system. C
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7. **Customer** - Shall mean any person, association, firm, public or private corporation, or any agency of the federal, state or local government or legal entity responsible by law for payment for gas service at a single location.
8. **Day or Daily** - The gas Day is a 24-hour period beginning at 9:00 a.m. CCT, and ending at 9:00 a.m. CCT the following day. C
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9. **Deliveries** - The Customer metered usage at the Delivery Point. C
10. **Delivery Point** - The location where the Company's gas distribution facilities are interconnected with the Customer's facilities and where the Customer and the Company have agreed that transportation gas received at the Receipt Point will be delivered by the Company to the Customer. D
11. **Demand Charge** - Amount based upon the quantity of transportation space desired.

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- 12. **Fuel** - Any charges levied or reduction in volumes delivered as a result of the movement of gas. D
- 13. **Imbalances** – The difference between Receipts and Deliveries. T
- 14. **Long Critical Day** – Shall mean a day when the Company anticipates that the level of demand on the system is expected to fall below a level of scheduled supply, which could operationally or otherwise adversely impact the Company, its systems, or its Customers. T
- 15. **MMBtu, Dekatherm and Therm** – The term “MMBtu” shall mean 1,000,000 BTUs. One MMBtu is equal to one Dekatherm (1 Dth) or 10 Therms. One Therm is equal to 100,000 BTUs. The standard quantity for nomination, confirmation and scheduling is Dekatherms per gas day in the United States. T
- 16. **Month, Monthly, Billing Period** - The period beginning on the first day of a calendar month and ending on the first day of the succeeding calendar month. T
- 17. **Negative Imbalance** - The daily difference between the quantity of gas received at the Receipt Point and a greater quantity of Deliveries. T
- 18. **Next Day Ahead Index Gas Price** –Reported daily gas price indices by interstate pipeline points. The indices used will be the “Weighted Average Index Price” of Gas delivered to the applicable interstate pipeline point. If the “Weighted Average Index Price” is not available for the applicable Gas Day(s), then the index shall be the “Weighted Average Index Price” for the most recently reported day ahead gas price. N
- 19. **Nomination** - Quantity of gas the Company is requested to transport daily from the Receipt Point to the Delivery Point. N
- 20. **Operational Flow Order (OFO)** – An order by the Company to transport customer, customers, or group customer, to make deliveries match usage. The stricter provisions of either a short or long critical day will apply to the customer. T
- 21. **Positive Imbalance** - The daily difference between the quantity of gas received at the Receipt Point and the lesser quantity of Deliveries. T
- 22. **Receipts** - Shall mean the quantity of gas received by Company from the transporting pipeline on a daily basis for the account of Customer. N

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- 23. **Receipt Point** - The point at which the transporting pipeline's facilities are interconnected with the Company's facilities. Receipt Points are usually Town Border Stations ("TBS") applicable to the Delivery Point. The Receipt Point must be at a location applicable to the Customer's historical purchases and the Delivery Point must be the historical purchase site. If, in the sole discretion of the Company, the Company can, operationally and without hardship to its other customers, receive gas for the account of Customer at a point other than the town border station applicable to the Customer's historical purchases, the Receipt Point restriction may be waived by Company.

- 24. **Reservation Charge** - Amount based upon the quantity of service desired.

- 25. **Retention** - The percentage by which gas received at the Receipt Point is reduced in order to arrive at the quantity delivered at the Delivery Point. Where fuel reimbursement is in-kind, the standard fuel calculation mechanism, as this is related to the nomination process, should be $(1 - (\text{fuel \%}/100))$ multiplied by receipt quantity = delivery quantity.

- 26. **Short Critical Day** – Shall mean a day when the Company anticipates that the level of demand on the system is expected to be greater than a level of scheduled supply, which could operationally or otherwise adversely impact the Company, its system, or its customers.

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