

GENERAL TERMS AND CONDITIONS

2. DEFINITIONS

Except where another meaning is expressly stated, the following terms shall have the following meanings when used in this Tariff and in any Transportation Service Agreement incorporating this Tariff:

2.1 FT Rate Schedule. The term "FT Rate Schedule" or the term "Rate Schedule FT" shall mean the FT Rate Schedule of this Tariff, as may be revised from time to time, or any superseding rate schedule(s).

2.2 IT Rate Schedule. The term "IT Rate Schedule" or the term "Rate Schedule IT" shall mean the IT Rate Schedule of this Tariff, as may be revised from time to time, or any superseding rate schedule(s).

2.3 Transporter. The term "Transporter" shall mean Black Hills Shoshone Pipeline, LLC or its successors or assignees.

2.4 Shipper and Shipper's Agent.

(a) The term "Shipper" shall mean any entity seeking or subscribing to Transportation Service on Transporter's system pursuant to the terms and conditions of this Tariff.

(b) The term "Shipper's Agent" or the term "Agent" shall mean any party Shipper may contract with for purposes of administering Shipper's Transportation Service Agreement with Transporter. An Agent has only those rights designated in writing by such Shipper to Transporter.

2.5 FERC or Commission. The term "FERC" or "Commission" shall mean the Federal Energy Regulatory Commission or any successor agency having jurisdiction over this Tariff.

2.6 Gas Day. The term "Gas Day" shall mean 9:00 A.M. to 9:00 A.M. Central Clock Time (CCT) (7:00 A.M. to 7:00 A.M. Pacific Clock Time (PCT)).

2.7 Month. The term "Month" shall mean the period beginning at 9:00 A.M. CCT (7:00 A.M. PCT) on the first day of the calendar month and ending at 9:00 A.M. CCT (7:00 A.M. PCT) on the first day of the next succeeding calendar month.

2.8 Year. The term "Year" shall mean any period of 12 consecutive Months.

2.9 Contract Year. The term "Contract Year" with respect to the first "Contract Year" shall mean the period commencing on the date deliveries first commence under a Transportation Service Agreement and ending at 9:00 A.M. CCT (7:00 A.M. PCT) on the following November 1, and with respect to any succeeding "Contract Year" shall mean the period of 12 consecutive Months from the end of the preceding Contract Year to 9:00 A.M. CCT (7:00 A.M. PCT) on the next succeeding November 1.

2.10 Commencement Date. The term "Commencement Date" shall be the date on which Transportation Service begins, as mutually agreed by Shipper and Transporter as set forth in a Transportation Service Agreement, or in the case where facilities are required to be constructed by Transporter to enable service to Shipper, the date on which the facilities required to enable Transporter to render Transportation Service to Shipper are constructed, installed and made operational, as set forth in Transporter's written notice to Shipper, which shall be given not less than five days prior to the date on which the Transportation Service shall begin, unless Shipper and Transporter mutually agree to a shorter notice period.

2.11 Cubic Foot. The reporting basis for Gas volumes as cubic foot at standard conditions of 14.73 psia, 60 degrees F, and dry. For Gas volumes reported in cubic meters, the standard conditions are 101.325 kPa, 15 degrees C, and dry.

2.12 Mcf. The term "Mcf" shall mean 1,000 cubic feet of Gas. The term "MMcf" shall mean one million (1,000,000) cubic feet of Gas.

2.13 Total Heating Value. The term "Total Heating Value," when applied to a Cubic Foot of Gas, means the number of British thermal units produced by the combustion in a recording calorimeter, with air of the same temperature and pressure as the Gas, when the products of combustion are cooled to the initial temperature of the Gas and air, and when the water formed by combustion is condensed to the liquid state.

2.14 Gas. The term "Gas" or the term "Natural Gas" shall mean natural gas of the quality

specified in Section 9 of these General Terms and Conditions.

2.15 System Capacity. The term "System Capacity" for purposes of scheduling receipts and deliveries shall mean the capacity available for Transportation on Transporter's system that shall be determined by Transporter, to the best of its ability, by performing a computer simulation of the system, taking into account nominated Scheduled Input, Scheduled Equivalent, and Equivalent Quantities, the available facilities, the Gas characteristics and the line pack gain or loss required for that day.

2.16 Delivery and Receipt Points.

(a) The term "Delivery Point" shall mean a point at which Shipper or Shipper's Agent is authorized by the Transportation Service Agreement to take Gas from Transporter.

(b) The term "Receipt Point" shall mean a point at which Shipper or Shipper's Agent is authorized to deliver Natural Gas to Transporter.

2.17 Business Day. The term "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S., and similar holidays for transactions occurring in Canada and Mexico.

2.18 Service Day. The term "Service Day" shall mean the day during which Shipper receives Transportation Service pursuant to a nomination in accordance with Section 4 of the General Terms and Conditions of this Tariff.

2.19 Electronic Communication. The term "Electronic Communication" shall mean the transmission of information via facsimile, email, Transporter's Public Internet, or other mutually agreed communication methodologies used to transmit and receive information, including communication by telephone.

2.20 Negotiated Rate. The term "Negotiated Rate" shall mean a rate or rate formula for computing a rate for service under a single rate schedule under which, for some portion of the contract term, one or more of the individual rate components may exceed the maximum charge, or be less than the minimum charge, for such component of the applicable tariff rate as set forth in Transporter's Schedule of Rates. A Negotiated Rate must be mutually agreed upon by Transporter and Shipper, and may be based on a rate design other than straight fixed-variable.

2.21 Input Quantities.

(a) The term "Input Quantity" for each Gas Day at a Receipt Point shall be the quantity of Natural Gas which is delivered to Transporter at the Receipt Point by or on behalf of Shipper.

(b) The term "Maximum Input Quantity" for a Receipt Point shall be the maximum quantity of Natural Gas per Gas Day which a Shipper under the FT Rate Schedule is entitled to request Transporter to receive on a firm basis at a Receipt Point for Transportation under Shipper's Transportation Service Agreement (subject to adjustment for the L & U Percentage) as set forth in the Transportation Service Agreement between Shipper and Transporter.

(c) The term "Scheduled Input Quantity" for a Receipt Point shall be the Input Quantity which is nominated by Shipper and scheduled by Transporter for Transportation Service through such Receipt Point on a given Gas Day in accordance with Section 4 of these General Terms and Conditions.

2.22 Equivalent Quantities.

(a) The term "Equivalent Quantity" shall be that quantity of Natural Gas to be made available on any Gas Day to or on behalf of Shipper at one or more Delivery Point(s), which quantity shall be the thermal equivalent of the sum of the Input Quantities delivered to Transporter at all Receipt Point(s) by or on behalf of Shipper on that Gas Day, adjusted for the L & U Percentage.

(b) The term "Maximum Equivalent Quantity" shall be the maximum quantity which Shipper may request Transporter to make available at each Delivery Point, as set forth in the Transportation Service Agreement between Shipper and Transporter.

(c) The term "Scheduled Equivalent Quantity" for a Delivery Point shall be the portion of the Equivalent Quantity (not to exceed the Maximum Equivalent Quantity) which is nominated by Shipper and scheduled by Transporter for Transportation Service through such Delivery Point on a given Gas Day in accordance with Section 4 of the General Terms and Conditions of this Tariff, or such other quantity as determined through application of said Section 4.

2.23 Maximum Daily Quantity. The term "Maximum Daily Quantity" or "MDQ" shall be the maximum

quantity of Gas that Shipper may provide to Transporter for redelivery at all Delivery Points on any day, as set forth in the Transportation Service Agreement between Shipper and Transporter.

2.24 Lost and Unaccounted for Gas ("L & U"). L & U consists of line losses and other unaccounted-for Gas in the operation of Transporter's system. L & U shall be furnished in-kind by Shippers at each applicable Receipt Point.

2.25 L & U Percentage. The L & U Percentage shall be stated on the Statement of Rates for Rate Schedule FT and Rate Schedule IT and shall apply to all transactions under Rate Schedules FT and IT. The L & U Percentage shall be recomputed annually, using the following procedures:

(a) The L & U Percentage shall be based on the previous calendar year. Revisions to the L & U Percentage shall be filed by no later than 30 days prior to the effective date of the revised L & U Percentage and shall become effective on April 1 of each Year.

(b) The total actual monthly L & U quantities experienced over the previous calendar year ("Actual L & U") shall be divided by the total system throughput for the previous calendar year (as adjusted for any known and measurable changes for the 12-Month period beginning on the effective date of the filing). The resulting percentage shall be rounded to the nearest 0.1% ("Actual L & U Percentage").

(c) The total L & U quantities received from Shippers pursuant to the L & U Percentage charged during the previous calendar year shall be subtracted from the Actual L & U to determine the L & U True-Up Volume. The L & U True-Up Volume shall be divided by the total system throughput for the previous calendar year (as adjusted for any known and measurable changes for the 12-Month period beginning on the effective date of the filing). The resulting percentage shall be rounded to the nearest 0.1% ("L & U True-Up Adjustment").

(d) The L & U True-Up Adjustment shall be added to the Actual L & U Percentage to determine the L & U Percentage.

2.26 Nomination. The level of information required to define a nomination for communications purposes is a line item containing all defined components.

2.27 Intra-day Nomination. The term "Intra-day Nomination" is a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of that Gas Day.

2.28 Data Elements. All trading partners should accept all NAESB standard elements. Usage should be characterized as either mandatory, conditional, sender's option, business conditional, and mutually agreeable.

Mandatory (M) means the data element (information) must be supplied in the transaction.

Conditional (C) means that the presence of data in a field is determined by the presence or lack of data in another field within the transmittal or related data sets.

Sender's Option (SO) means that this element is optional for the sender to send and, if sent, the receiver should receive and process.

Business Conditional (BC) means the data element is based on current variations in business practice. The business practice will be described herein, with an example. Over time, NAESB expects that as business practices are standardized, elements will move out of this category. Business Conditional elements which are not supported/required by the receiver will be acknowledged in the response document with a warning message code indicating that the data element was ignored by the receiver.

Mutually Agreeable (MA) means that the data element is mutually agreed to between trading partners. It must be presented to NAESB for technical implementation. It does not, by its definition, create a NAESB standard business practice. Usage of this element in no way can be mandated for inclusion by either trading partner in order to achieve a level of service.

2.29 NAESB. The term "NAESB" shall mean the North American Energy Standards Board, which promulgates business practices and electronic communications standards that are required by the Commission regulations under 18 C.F.R. Section 284.12. NAESB Standards, Definitions and Data Sets are adopted by Transporter as dictated in Section 35 of the General Terms and Conditions.