

Northern Border Pipeline Company
Description of Services Provided and Basis for Determination of Cost Responsibility

Northern Plains Natural Gas Company is a general partner of Northern Border Partners, L.P. and also provides services, as listed below, to Northern Border Pipeline and other companies owned by Northern Border Partners.

Line No.	Description of Services Provided NBPL	Basis for Determination of Cost Responsibility			Non-Payroll Alternative
		Payroll	Payroll Alternative	Non-Payroll	
1	EXECUTIVE	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
2	ADMINISTRATIVE EXECUTIVE	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
3	EXECUTIVE VP	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
4	INTERSTATE COMMERCIAL	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
5	ONEOK CROSS CHARGES	No Payroll	N/A	Direct Assignment	Non-Payroll Allocations
6	FACILITIES ADMINISTRATION	No Payroll	N/A	Direct Assignment	Non-Payroll Allocations
7	FINANCE EXECUTIVE	MMF	Direct Assignment	Direct Assignment	Non-Payroll Allocations
8	FINANCIAL PLANNING & ANALYSIS	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
9	INVESTOR RELATIONS	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
10	PARTNERSHIP ACCOUNTING SERVICES	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
11	PARTNERSHIP FINANCE	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
12	NBP TAX	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
13	INTERNAL AUDIT	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
14	HUMAN RESOURCES	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
15	APPLICATION TECHNOLOGY	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
16	SYSTEMS TECHNOLOGY	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
17	LAW	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
18	NBPL COMMERCIAL	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
19	PUBLIC AFFAIRS	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
20	CUSTOMER SERVICES	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
21	GAS CONTROL	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
22	REGULATORY AFFAIRS	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
23	CENTRAL CHARGES	No Payroll	N/A	Direct Assignment	Non-Payroll Allocations
24	ENVIRONMENTAL	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
25	CONTROLS & ELECTRICAL	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
26	TEAM 6; CS 12, CS 13	Operational Assets	Direct Assignment	Direct Assignment	Non-Payroll Allocations
27	TEAM 8; CS 14	Operational Assets	Direct Assignment	Direct Assignment	Non-Payroll Allocations
28	TEAM 9; CS 17, CS 18	Operational Assets	Direct Assignment	Direct Assignment	Non-Payroll Allocations
29	TEAM 4; CS 8, CS 9	Operational Assets	Direct Assignment	Direct Assignment	Non-Payroll Allocations
30	CHANNAHON DIRECTORS/ADVISORS	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
31	ENGINEERING & CONSTRUCTION	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
32	MECHANICAL	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
33	OPERATIONS EXECUTIVE	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
34	TEAM 10; OTTAWA/MINOOKA/CHANNAHON	Operational Assets	Direct Assignment	Direct Assignment	Non-Payroll Allocations
35	EAGAN DIRECTORS/ADVISORS	100% Viking	Direct Assignment	Direct Assignment	Non-Payroll Allocations
36	SAFETY TEAM	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
37	TELECOMMUNICATIONS	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
38	OSS BROOKINGS CDC	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
39	OSS CHANNAHON ADMIN	Region Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
40	OSS CONTRACT ADMINISTRATION	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
41	OSS OMAHA ADMINISTRATION	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
42	OSS TECHNICAL TRAINING	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
43	CORROSION	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
44	ENGINEERING RECORDS AND DATA	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
45	PIPELINE INTEGRITY	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
46	TECH SVC MEASUREMENT	Time Spent	Direct Assignment	Direct Assignment	Non-Payroll Allocations
47	RIGHT OF WAY	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations
48	SAFETY & FACILITY AUDITS	Miles of Pipe	Direct Assignment	Direct Assignment	Non-Payroll Allocations

Basis for Determination of Cost Responsibility

Time Spent – Estimates of the portion of overall time spent on each Legal Entity are developed for each individual within the cost responsibility.

MMF – Using the Modified Massachusetts Formula, assets, payroll, and gross margin for each Legal Entity are equally weighted to establish allocation percentages for each Legal Entity.

Operational Assets – Time spent on each of the legal entities' operational assets.

Miles of Pipe – The miles of pipeline of each legal entity are combined to develop percentages for each legal entity.

Region Miles of Pipe – The miles of pipeline of each legal entity within a specific region are combined to develop percentages for each legal entity.

Non-Payroll Allocations - If non-payroll is not directly coded, a payroll weighted average allocation may be used. The payroll percentages described above are used to develop weighted average allocation percentages for each area of cost responsibility. Any non-payroll expenses may also be coded to a non-payroll company used for allocations in which case a mass allocation program refers to the weighted average percentages to allocate costs to legal entities.