

RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

2.2 The service provided under this rate schedule shall be interruptible and shall be subject to interruption at any time when Paiute determines that the total requests for service hereunder exceed Paiute's capability to meet such requests, or due to operating conditions or conditions of force majeure on Paiute's system as set forth in Section 4.5 and Section 6.1 of the General Terms and Conditions of this tariff. In the event of such interruption, Paiute shall provide service as follows:

- (a) Paiute shall provide Shipper with as much advance notice as is practical of any interruption of service;
- (b) Shipper's service under this rate schedule shall be interrupted in accordance with Section 4 of the General Terms and Conditions of this tariff; and
- (c) Unless service to higher priority Shippers will be impaired, Paiute may, to the extent feasible, and in a manner which is not unduly discriminatory, continue to receive Shipper's gas at the Receipt Point(s) during the period of interruption, and shall, when feasible, redeliver such gas at the Delivery Point(s). Paiute shall waive any penalty payments that may otherwise be due pursuant to Section 5 of the General Terms and Conditions of this tariff for any imbalance occurring as a result of the interruption, or that are associated with correction of such imbalance during a subsequent period.

3. RATES

3.1 Shipper shall pay Paiute each month an amount equal to the applicable Usage Charge for each Dth of natural gas scheduled for Shipper for transportation hereunder less Gas Used by Paiute, during the month.

Paiute may, from time to time and at any time selectively, adjust any or all of the rates stated above with respect to any individual Shipper or transportation service in a manner which is not unduly discriminatory; provided however, that such adjusted rate(s) shall not exceed the applicable maximum rate(s) or be less than the applicable minimum rate(s). The maximum and minimum rates shall be those as set forth from time to time on the currently effective Sheet No. 10 of this tariff, which rates are incorporated herein by reference. Such discounts granted will not constitute a material deviation from Paiute's Form of Service Agreement.