

GENERAL TERMS AND CONDITIONS
(Continued)

7. PROCEDURES FOR OBTAINING SERVICE (Continued)

7.1 Contracting for Firm Transportation and Storage Service:
(Continued)

If the subject capacity has not previously been offered for purchase under a competitive bid process, then Paiute will treat the subject capacity as unsubscribed capacity and post it on its Internet website for competitive bidding.

- (b) Unsubscribed Capacity: Paiute will post unsubscribed capacity (capacity that becomes available for reasons other than expiring or terminating agreements) for a bid period(s) of no less than 72 hours and no more than six months. Unsubscribed capacity that has previously been offered for purchase under a competitive bid process, but not awarded, may be awarded by Paiute on a first-come, first-served basis to a qualified shipper that offers to pay the applicable maximum tariff rate or an acceptable discounted rate for the capacity. If Paiute elects to reserve unsubscribed capacity for future service as provided in Section 7.1(d) below, Paiute will post such capacity as provided in this Section 7.1(b) for use on an interim basis, but Paiute will indicate in its posting that such capacity is reserved for future use.
- (c) Capacity Under Expiring or Terminating Agreements: Paiute will post capacity under expiring or terminating Service Agreements (which may include Service Agreements functioning under evergreen provisions) for a bid period commencing at least six (6) months before the expiration or termination of any such Service Agreement and ending at least thirty (30) days prior to said expiration or termination date. If the termination notice required under any such Service Agreement is less than six (6) months, Paiute will post the availability of such capacity within five (5) Business Days of receiving or giving such notice, as applicable, for a bid period of no more than six (6) months, and
- (1) for termination notices of 30 days or more, a bid period of no less than 72 hours;
 - (2) for termination notices of less than 30 days, but more than 10 days, a bid period no less than 48 hours; and
 - (3) for termination notices of 10 days or less, a bid period no less than 24 hours.