

GENERAL TERMS AND CONDITIONS
(Continued)

4. OPERATING PROCEDURES (Continued)

4.2 Scheduling of Gas Receipts and Deliveries: (Continued)

Nomination cycle. Any such hourly changes occurring after the Intra-day 3 Nomination Cycle will be entered by Shipper in Paiute's Nomination system at the beginning of the next Gas Day. Notwithstanding the above, any such Nominations during the Gas Day may not exceed the vaporization capability of the LNG Plant for the remainder of that Gas Day, nor shall the total of any Shipper's Nominations for such Gas Day exceed its Daily Delivery Capacity, except when Paiute so permits during emergency circumstances.

(c) Allocation of Capacity for Scheduling by Shippers Under Rate Schedules FT-1 and IT-1:

Subject to the provisions of this tariff, on any day a Shipper under Rate Schedule FT-1 is entitled to schedule up to its applicable Reserved Capacity (i.e., Daily Reserved Capacity or Summer Daily Reserved Capacity), as reduced by any such capacity which the Shipper is releasing that day pursuant to Section 14 hereof. All such scheduling of firm transportation capacity shall be subject to Paiute's determination of the total available pipeline capacity for such day at each Receipt Point, Delivery Point, and Delivery Location, and through any pipeline segment.

In the event available pipeline capacity on a given day at any location other than the LNG Plant is less than the total quantity that all shippers nominate with respect to such location, then the following scheduling priorities shall apply:

- (1) First scheduled will be firm capacity nominated from a Primary Receipt Point to a Primary Delivery Location, allocated if necessary on the basis of primary rights as set forth in the applicable firm transportation Service Agreement(s).
- (2) Second scheduled will be firm capacity nominated from or to a secondary point but within the primary pathway, allocated pro rata based on total nominations if necessary on the basis of such secondary, in-pathway nominations.