

GENERAL TERMS AND CONDITIONS
(Continued)

4. OPERATING PROCEDURES (Continued)

4.3 Limitation Upon Paiute's Daily Transportation Obligation and
Flexible Delivery and Receipt Point Criteria: (Continued)

(2) A firm Shipper may designate as a "Secondary Delivery Location" any Delivery Location it desires, but service to such Shipper at such Delivery Location shall be subordinate to the firm capacity rights of the firm Shipper(s) who have Primary Delivery Location rights at such Delivery Location. A firm Shipper may designate as a "Secondary Receipt Point" any Receipt Point it desires, but service to such Shipper at such a Receipt Point shall be subordinate to the firm capacity rights of the firm Shipper(s) who have Primary Receipt Point rights at such point. Service to a firm Shipper at a Secondary Delivery Location or at a Secondary Receipt Point that is located outside of the capacity pathway between such Shipper's Primary Delivery Locations and Primary Receipt Points shall also be subordinate to the firm capacity rights of a firm Shipper who is using a Secondary Delivery Location or a Secondary Receipt Point that is located within the capacity pathway between its Primary Delivery Locations and Primary Receipt Points. Deliveries to Secondary Delivery Locations shall not be permitted to reduce downstream deliveries to another firm Shipper at its Primary Delivery Locations. Receipts from Secondary Receipt Points shall not be permitted to reduce receipts by another firm Shipper at its Primary Receipt Points. Use of Secondary Receipt Point(s)/Delivery Location(s) will be accommodated on a daily basis through the normal gas scheduling process.

(3) Under no circumstances shall a firm Shipper's use of flexible Delivery Locations or Receipt Points allow such Shipper to receive deliveries of gas on any day in excess of its Daily Reserved Capacity or Summer Daily Reserved Capacity, whichever is applicable.

4.4 [Reserved]