

GENERAL TERMS AND CONDITIONS
(Continued)

7. PROCEDURES FOR OBTAINING SERVICE (continued)

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

Regardless of the termination notice, if no acceptable bids have been received by Paiute at least 10 days prior to the date capacity will become available, Paiute may post such capacity for a subsequent bid period(s) of 24 hours.

If Paiute elects to reserve capacity for future service under an expiring or terminating agreement as provided in Section 7.1(d) below, Paiute will post such capacity as provided in this Section 7.1(c) for use on an interim basis, but Paiute will indicate in its posting that such capacity is reserved for future use.

- (d) Prearranged Capacity: After available unsubscribed capacity or capacity that will become available under an expiring or terminating agreement is posted on Paiute's Internet website, Paiute may enter into a prearranged transaction for such capacity with any party. Concurrently with reserving available capacity for a prearranged transaction, Paiute will post the terms of the prearranged transaction for competitive bids by other parties in accordance with Section 7.1(e). Notwithstanding the otherwise applicable minimum bid periods referenced in Sections 7.1(b) or (c), the minimum bid period will be one hour for any posted prearranged capacity transaction that has a primary term of thirty-one days or less. Any such posted bid period will commence at either 10:00 a.m. or 3:30 p.m. Central Clock Time (8:00 a.m. or 1:30 p.m. Pacific Time) on a Business Day.

If the posted prearranged transaction is for service commencing at a future date, competing bids will be allowed for service to start either on such future date or any date between the earliest time the capacity is available and such future date. If another party submits a bid with a higher economic value, the prearranged Shipper will have a one-time right to match the higher bid in order to retain the capacity. If the prearranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the highest creditworthy bidder.