GENERAL TERMS AND CONDITIONS
(Continued)

14. CAPACITY RELEASE (Continued)

   14.1 Definitions: (Continued)

      (h) Open Bidding: Full disclosure of the bid terms and conditions
           submitted to Paiute's Internet website, excluding bidder's
           name.

      (i) Short-Term Release: The release of firm capacity for a time
           period of one year or less.

      (j) Long-Term Release: The release of firm capacity for a time
           period of more than one year.

      (k) The Economic Value of a Bid: For the capacity release business
           process timing model, only the following methodologies are
           required to be supported by Paiute and provided to Releasing
           Shippers as choices from which they may select and, once
           chosen, should be used in determining the awards from the bids
           submitted. They are (1) Highest Rate, (2) Net Revenue and (3)
           Present Value. For index-based capacity release transactions,
           the Releasing Shipper should provide the necessary information
           and instructions to support the chosen methodology.

           Other choices of bid evaluation methodology (including other
           Releasing Shipper-defined evaluation methodologies) can be
           accorded similar timeline evaluation treatment at the
           discretion of Paiute. However, Paiute is not required to offer
           other choices or similar timeline treatment for other choices,
           nor is Paiute held to the timeline should the Releasing
           Shipper elect another method of evaluation. [NAESB WGQ 5.3.3]

      (l) Daily Rate: Converting a monthly rate to a daily rate is
           accomplished by multiplying the monthly rate by the number of
           months in the rate period, dividing the result by the number
           of days in the rate period, taking the remainder out to 5
           decimal places, and rounding up or down to the transporter's
           specified decimal place. [NAESB WGQ 5.3.22]

      (m) Monthly Rate: Converting a daily rate to a monthly rate is
           accomplished by multiplying the daily rate times the number of
           days in the rate period, dividing the result by the number of
           months in the rate period, taking the remainder out to 5
           decimal places, and rounding up or down to the transporter's
           specified decimal place. [NAESB WGQ 5.3.22]