

GENERAL TERMS AND CONDITIONS
(Continued)

14. CAPACITY RELEASE (Continued)

14.2 General Provisions: (Continued)

- (j) Releasing Shipper is responsible for payment of reservation charges for the release of transportation capacity, under the firm Service Agreement as it existed before any release(s). Paiute shall not be liable to the Releasing Shipper for the revenue credits provided for in Section 15 of the General Terms and Conditions of this tariff to the extent that any Replacement Shipper fails to pay its portion of the applicable reservation charge to Paiute.

Paiute will provide the original Releasing Shipper with Internet e-mail notification reasonably proximate in time with any of the following formal notices given by Paiute to the Releasing Shipper's Replacement Shipper(s), of the following:

- (1) Notice to the Replacement Shipper regarding the Replacement Shipper's past due, deficiency, or default status pursuant to Paiute's tariff;
- (2) Notice to the Replacement Shipper regarding the Replacement Shipper's suspension of service notice;
- (3) Notice to the Replacement Shipper regarding the Replacement Shipper's contract termination notice due to default or credit-related issues; and
- (4) Notice to the Replacement Shipper that the Replacement Shipper(s) is no longer creditworthy and has not provided credit alternative(s) pursuant to Paiute's tariff. [NAESB WGQ 5.3.60]

Where capacity has been permanently released for the maximum term at the maximum rate by the Releasing Shipper, the Releasing Shipper may request Paiute to amend its Service Agreement to reflect the release of such capacity. Paiute may agree, in a non-discriminatory manner, to relieve such Shipper of any further liability for payment of the reservation charge applicable to the capacity released under the Service Agreement.

- (k) When Paiute makes awards of capacity for which there have been multiple bids meeting minimum conditions, Paiute will award the bids, best bid first, until all offered capacity is awarded. [NAESB WGQ 5.3.4]