

GENERAL TERMS AND CONDITIONS
(Continued)

14. CAPACITY RELEASE (Continued)

14.2 General Provisions: (Continued)

of the capacity release transaction, then title to any such remaining inventory shall either be transferred to Releasing Shipper, if Releasing Shipper has so specified as a condition of the release, or be forfeited by Replacement Shipper, free and clear of any adverse claims. If the remaining inventory is forfeited by Replacement Shipper, such remaining inventory shall be treated by Paiute thereafter as Gas Used by Paiute, and shall be credited to the calculation of Gas Used by Paiute under Rate Schedules FT-1 and IT-1 and Section 4.2(d) of the General Terms and Conditions of this tariff.

(2) The maximum capacity available for release by each firm Shipper is equal to such Shipper's applicable capacity entitlement as set forth in its Service Agreement.

- (b) Potential Replacement Shippers may post offers to purchase capacity on Paiute's Internet website. If an offer to purchase results in a capacity release being offered, such release is subject to the bidding requirements of this Section 14. Offers to purchase capacity must include desired Receipt Point(s), Delivery Locations, Delivery Point(s), contract volume, and contract term and price information. Offers to purchase capacity will be posted on Paiute's Internet website for a period specified by the potential Replacement Shipper, but not to exceed 90 days from the date the offer was posted.
- (c) A Releasing Shipper may post an offer to release capacity on Paiute's Internet website. The basis for released quantity will be per day for transportation and storage withdrawal, and a per-release quantity for storage capacity and total release period quantity. [NAESB WGQ 5.3.29] Offers to release capacity must contain the following minimum information: the Releasing Shipper's name, contract number, release quantity per day expressed as a numeric quantity only, [NAESB WGQ 5.3.28] storage capacity quantity (if applicable), Primary Receipt Point(s), Primary Delivery Location(s), commencement date for the release, termination date for the release, whether the release will be subject to recall, any shorter term over which the Releasing Shipper is willing to release, the minimum rate at which the Releasing Shipper is willing to permit release, whether Releasing Shipper will permit Contingent Bids to be submitted, and any specific conditions of the release. A Releasing Shipper will not be able to specify an extension of the original bid period or the