

GENERAL TERMS AND CONDITIONS
(Continued)

4. OPERATING PROCEDURES (Continued)

4.5 Interruptions or Curtailment of Service: (Continued)

- (3) If the ADQ is greater than the total of all Shippers' scheduled firm quantities under Paiute's transportation rate schedules, but less than the capacity needed to meet the total of all Shippers' scheduled quantities under all of Paiute's transportation rate schedules, the remaining ADQ will be allocated to Authorized Overrun Gas Shippers and Shippers under Rate Schedule IT-1 in the same manner as the scheduling priorities set forth in Section 4.2(c) (4) of the General Terms and Conditions of this tariff.
- (4) Any quantity taken by a Shipper that exceeds such Shipper's assigned portion of the ADQ shall be considered a Scheduling Overrun and subject to penalties pursuant to Section 5.2(a) of the General Terms and Conditions of this tariff.
- (5) To the extent Paiute deems it necessary to protect system integrity Paiute may take action to prevent the physical flow of gas to a Shipper that exceeds that Shipper's assigned portion of the ADQ.

4.6 Operational Flow Order Procedures

Paiute may determine at any time in its sole judgment that overruns, underruns, disruptions on Paiute's system, or disruptions upstream of Paiute's system may jeopardize the operational integrity of its system or result in penalties from an upstream pipeline, and may issue an Operational Flow Order (OFO) to alleviate the condition.

In the event that Paiute issues an OFO, Paiute will provide notice of the OFO to all affected Shippers by electronic mail or telephone at the earliest possible time, and will post the notice on its Internet website as soon as practicable. Paiute will make reasonable efforts to notify Shippers that an operational problem is developing which could potentially necessitate the issuance of an OFO. Each Shipper shall designate an operational contact for Paiute to notify on a 24-hour a day, 365 days a year basis. If Paiute is unable to notify any Shipper because that Shipper's contact is unavailable, such Shipper shall be solely responsible for any consequences arising from such failure of communication. Each notice of an OFO will contain the following information: