

GENERAL TERMS AND CONDITIONS
(Continued)

4. OPERATING PROCEDURES (Continued)

4.7 Operating Procedures for Rate Schedules LGS-1 and LGS-2 Service:
(Continued)

- (a) Receipt of Gas at the LNG Plant: Except for LNG tendered by Shipper for receipt at Paiute's LNG truck unloading facility, which is addressed in subparagraph (b) below, natural gas nominated by Shipper on any day for delivery to the LNG Plant shall be gas that has been transported by Paiute pursuant to either Rate Schedule FT-1 or Rate Schedule IT-1 of this tariff. Paiute will accept gas from Shipper for liquefaction on any day during the Summer Period, operating circumstances permitting. Paiute may accept gas for liquefaction on other days if Paiute determines that such liquefaction will not adversely affect Paiute's operations or its service obligations to its other Shippers. Paiute's acceptance of gas for liquefaction shall be on a pro rata basis of Shipper's nominated quantity to the total quantity nominated for liquefaction on that day at the LNG Plant.

Paiute shall provide the Shippers under Rate Schedules LGS-1 and LGS-2 with a daily schedule of the total liquefaction quantity thirty (30) days prior to the commencement of the Summer Period subject, however, to such changes as operating conditions may require. In scheduling the operation of the LNG Plant, Paiute, to the extent possible, will attempt to take into account all economic factors including gas supply and market conditions communicated to Paiute by the various Shippers.

(b) Receipt of LNG at the LNG Truck Unloading Facility:

- (1) LNG tendered at Paiute's LNG truck unloading facility by Shipper on any day shall be LNG that has been transported by Shipper or Shipper's agent by truck to the LNG Plant. Paiute will accept LNG from Shipper or its agent for delivery by truck into the LNG storage facility on any day if Paiute determines that such deliveries will not adversely affect Paiute's system operations or its service obligations to other Shippers, or cause the Shipper's Storage Capacity, as specified in Shipper's Service Agreement under Rate Schedules LGS-1 and LGS-2, to be exceeded.