

RATE SCHEDULE LGS-1  
FIRM LIQUEFIED NATURAL GAS STORAGE SERVICE

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

- (d) The vaporization of such stored liquid on demand by Shipper pursuant to Section 4.7(d) of the General Terms and Conditions of this tariff in quantities not to exceed Shipper's Daily Delivery Capacity; and
- (e) The delivery of equivalent quantities of natural gas, less Gas Used by Paiute pursuant to Section 5 hereof, vaporized from Shipper's LNG inventory pursuant to Section 4.7(d) of the General Terms and Conditions of this tariff for Shipper into Paiute's pipeline system at the point of interconnection between Paiute's LNG Plant and its main transmission line.

2.2 The service rendered under this rate schedule shall be firm and shall not be subject to curtailment, except due to operating conditions or conditions of force majeure on Paiute's system as set forth in Section 4.5 and Section 6.1 of the General Terms and Conditions of this tariff. In the event of such curtailment, Paiute shall provide service as follows:

- (a) Paiute shall provide Shipper with as much advance notice as is practical of any curtailment of service;
- (b) Shipper's service under this rate schedule shall be curtailed on a pro rata basis in proportion to the ratio of its nomination for the day of such curtailment for service under this rate schedule up to its Daily Delivery Capacity hereunder to the total of all nominations for such day for service under this rate schedule as set forth in Section 4.7(d) (3) of the General Terms and Conditions of this tariff; and
- (c) While Paiute shall not be responsible for any curtailment that is due to Shipper's failure to adequately maintain its LNG inventory or to schedule the use of such inventory, Paiute, in the event of such situations, will permit Shipper to arrange for the transfer of inventory balance among the other Shippers, in accordance with Section 4.7(c) (5) of the General Terms and Conditions of this tariff.

3. RATES

3.1 The rates and charges for service under this schedule shall be set forth in the Statement of Rates, and if, applicable, any charges pursuant to Section 3 of this Rate Schedule. A Shipper's Storage Charge, Delivery Charge, Injection Charge, and Withdrawal Charge shown below in subsection 3.2, shall be based on the term-differentiated rate, i.e. Category 1 Rates or Category 2 Rates, applicable to the remaining primary term of the Firm