GENERAL TERMS AND CONDITIONS
(Continued)

7. PROCEDURES FOR OBTAINING SERVICE (continued)

    7.1 Contracting for Firm Transportation and Storage Service:
         (Continued)

                   creditworthiness requirements set forth in Section 7.4.
                   Transporter may reject bids for service that (i) may
                   detrimentally impact the operational integrity of
                   Transporter's system, (ii) do not satisfy or comport with all
                   of the terms of Transporter's posting, or (iii) contain terms
                   and conditions inconsistent with or contrary to those set
                   forth in this tariff. A bidder may not have multiple bids
                   pending consideration simultaneously for the posted capacity.
                   All bids not withdrawn prior to the close of the bid period
                   shall be binding.

                   At the end of the bid period, Transporter will evaluate all of
                   the bids submitted and determine the bid(s) having the highest
                   economic value, applying the bid evaluation criteria stated in
                   Transporter's posting. The bid evaluation criteria will be (i)
                   the total net present value of the reservation charges bid for
                   firm transportation capacity, (ii) the total net present value
                   of the Storage Capacity and Daily Delivery Capacity charges
                   bid for firm storage capacity, or (iii) any alternative
                   criteria specified by Transporter in its posting. If two or
                   more bidders offer the same economic value as determined by
                   Transporter, Transporter will prorate the available capacity
                   among the bidders. Transporter will notify the winning
                   bidder(s) as soon as practicable. The winning bidder(s) will
                   be required to execute a Service Agreement for the capacity in
                   accordance with the terms of the winning bid(s) within three
                   (3) Business Days of Transporter's tendering the agreement.
                   Notwithstanding any other provision of this Section 7.1,
                   Transporter will not be obligated to accept any offer or bid
                   for firm service at a rate that is less than Transporter's
                   applicable maximum tariff rate.

                   If no bids are submitted, or if Transporter does not accept
                   any bid, Transporter will re-post the subject capacity on its
                   Internet website as available unsubscribed capacity, except as
                   may be otherwise provided under this Section 7.1.