

GENERAL TERMS AND CONDITIONS  
(Continued)

14. CAPACITY RELEASE (Continued)

14.1 Definitions: (Continued)

- (h) Open Bidding: Full disclosure of the bid terms and conditions submitted to Transporter's Internet website, excluding bidder's name.
- (i) Short-Term Release: The release of firm capacity for a time period of one year or less.
- (j) Long-Term Release: The release of firm capacity for a time period of more than one year.
- (k) The Economic Value of a Bid: For the capacity release business process timing model, only the following methodologies are required to be supported by Transporter and provided to Releasing Shippers as choices from which they may select and, once chosen, should be used in determining the awards from the bids submitted. They are (1) Highest Rate, (2) Net Revenue and (3) Present Value. For index-based capacity release transactions, the Releasing Shipper should provide the necessary information and instructions to support the chosen methodology.

Other choices of bid evaluation methodology (including other Releasing Shipper-defined evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of Transporter. However, Transporter is not required to offer other choices or similar timeline treatment for other choices, nor is Transporter held to the timeline should the Releasing Shipper elect another method of evaluation. [NAESB WGQ 5.3.3]

- (l) Daily Rate: Converting a monthly rate to a daily rate is accomplished by multiplying the monthly rate by the number of months in the rate period, dividing the result by the number of days in the rate period, taking the remainder out to 5 decimal places, and rounding up or down to the transporter's specified decimal place. [NAESB WGQ 5.3.22]
- (m) Monthly Rate: Converting a daily rate to a monthly rate is accomplished by multiplying the daily rate times the number of days in the rate period, dividing the result by the number of months in the rate period, taking the remainder out to 5 decimal places, and rounding up or down to the transporter's specified decimal place. [NAESB WGQ 5.3.22]