

PSC NO. 8 GAS  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 01/01/11

LEAF: 148.15  
REVISION: 0  
SUPERSEDING REVISION:

GENERAL INFORMATION (Cont'd)

d. Post-Trading Resolution and Application of Cash Out Tiers

An Imbalance Holder's post-trading imbalance position is calculated by dividing its FSIV by its TMC and converting the quotient into a percentage. The Imbalance Holder's post-trading imbalance position will be used to determine the post-trading imbalance tier for cash out, however, the post-trading imbalance tier will not be worse than pre-trading imbalance tier.

If the volumetric range of the Imbalance Holder's Market Pricing Tier for a month is significantly smaller or otherwise inconsistent with that occurring during the normal course of business, the Company may override the post-trading imbalance tier calculation for that month and assign the Imbalance Holder to the Market Pricing Tier. Examples of such circumstances are:

- During the initial month in which an Imbalance Holder has an imbalance resulting from service under an eligible Service Classifications as described above.
- During the final month in which an Imbalance Holder has an imbalance resulting from service under an eligible Service Classifications as described above.

If an Imbalance Holder's FSIV is less than 1000 Mcf, it will be assigned to the Market Pricing Tier.

The Imbalance Holder will be cashed out at the tiers, beginning at the tiers furthest from the Market Pricing Tier until the imbalance volumes within all the tiers are reduced to zero. The Market Pricing Tier will be cashed out after all other tiers have been cashed out.

Cash Out Sales and Cash Out Purchases will be reflected on the next bill issued by the Company to the Imbalance Holder following the conclusion of trading sessions.

Issued by A.M. Cellino, President, 6363 Main Street, Williamsville, NY 14221  
(Name of Officer, Title, Address)