

PSC NO: 8 GAS
 NATIONAL FUEL GAS DISTRIBUTION CORPORATION
 INITIAL EFFECTIVE DATE: 12/28/07
 ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 07-G-0141 DATED 12/21/07.

LEAF: 209.1
 REVISION: 2
 SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION No. 13D

DAILY METERED TRANSPORTATION (DMT) SERVICE - Continued

Each trade conducted during a monthly trading period must improve the SC 13D Customer's/Marketer's relative imbalance position. That is, the result of SC 13D Customer's/Marketer's imbalance trading activity will achieve an imbalance position closer to zero, i.e. the volume owed to the Company (negative position) or owed to the SC 13D Customer/Marketer (positive position) is smaller after each trade has been completed. In no event will the Company process trades that result in a larger imbalance position for the SC 13D Customer/Marketer.

c. Month End Surplus Cash Out

Month End Surplus Imbalances not resolved via 4 (a) or 4 (b) above will be cashed-out as follows:

(i) For each of the five consecutive months November through March,

0% to 5% at Index
 5% to 15% at 90% of Index
 15% to 20% at 85% of Index
 > than 20% at 60% of Index

(ii) In all other months,

0% to 10% at Index
 10% to 15% at 90% of Index
 15% to 20% at 85% of Index
 > than 20% at 60% of Index

d. Month End Deficiency Cash Out

Month End Deficiency Imbalances not resolved via 4 (a) or 4 (b) above will be cashed-out as follows:

(i) For each of the five consecutive months November through March,

0% to 5% at Index
 5% to 15% at 110% of Index
 15% to 20% at 115% of Index
 > than 20% at 140% of Index

(ii) In all other months,

0% to 10% at Index
 10% to 15% at 110% of Index
 15% to 20% at 115% of Index
 > than 20% at 140% of Index

Issued by R. J. Tanski, President, 6363 Main, Williamsville, NY 14221
 (Name of Officer, Title, Address)