

PSC NO: 8 GAS
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 11/01/07
ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 07-G-0299 DATED 8/30/07.

LEAF: 265
REVISION: 7
SUPERSEDING REVISION: 4

SERVICE CLASSIFICATION No. 19 (Cont'd)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

(b) Assignment of Pipeline (NFGSC EFT) Transmission Capacity

Except where a Supplier provides Grandfathered Intermediate Transmission Capacity ("GITC"), or local production directly connected to the Company's system, one hundred percent (100%) of extreme peak day requirements shall be served through the Company's Enhanced Firm Transportation ("EFT") capacity on NFGSC. The Supplier shall take release of such EFT capacity from the Company at the maximum rate under NFGSC's gas tariff filed with the FERC. If a Supplier's STBA agreement is cancelled or terminated the Company may recall EFT capacity that has been released to the Supplier.

(c) NFGSC Appalachian Production Receipts

Suppliers using NFGSC Appalachian production as an alternative to pipeline capacity upstream of NFGSC must request access to primary receipt points that coincide with the production area in which the Appalachian production is located.

(3) Upstream Transmission Capacity

The percentage of extreme day requirements to be served by pipeline capacity upstream of NFGSC obtained by the Supplier shall be as determined at Section 2.(2)(a)(i) above.

(a) Mandatory Upstream Transmission Capacity

Mandatory Upstream Transmission Capacity ("MUTC") will be assigned to Suppliers to meet their capacity requirements not otherwise satisfied through Grandfathered Upstream Transmission Capacity ("GUTC") or by local production directly connected to the Company's system. The pipelines and primary delivery point quantities available for MUTC assignment will be posted on the Company's web site. As to such capacity, the following requirements shall apply:

- (i) Supplier will be assigned twelve (12) months of primary firm capacity upstream of NFGSC sufficient to meet Supplier's extreme peak day ADDQ. Such assignments shall be made on a month-to-month basis to accommodate incremental changes in the load served by each Supplier.
- (ii) If a Supplier requests access to a receipt point currently not available or if a receipt point is fully subscribed by other Suppliers, the Company will attempt to provide access to such receipt point, subject to operational considerations.
- (iii) Primary delivery points, primary receipt points and associated quantities for MUTC may be changed based on Company's contractual commitments and F.E.R.C. rules and regulations. Suppliers will receive thirty (30) days written notice of any such change, after which the original locations and quantities subject to such change shall be fully superseded and replaced by the revised locations and quantities, as applicable.

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