Received: 09/26/2003 Status: CANCELLED Effective Date: 10/01/2003

PSC NO: 8 GAS
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 10/01/03
ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-G-1858 DATED 9/18/03.

LEAF: 209 REVISION: 3 SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION No. 13D (Cont'd)

DAILY METERED TRANSPORTATION (DMT) SERVICE - Continued

b. Daily Deficiency Imbalances

As used in this Rate Schedule, "deficiency imbalances" shall mean the amount by which the volume of gas delivered, to the Company for the Customer's account during the day after adjustment for line losses is less than the total amount of gas consumed by the Customer each day. The rates set forth below shall be applied to the daily deficiency volume occurring during each day of the billing month.

If on any day a SC 13D Customer's/Marketer's deficiency exceeds 10% and the combined deficiency imbalance of all SC 13D Customers exceeds 10% below the initial deficiency tolerance band, the SC 13D Customer's/Marketer's deficiency in excess of 10% will be cashed-out according to the following price schedule:

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

- 4. Month End Imbalance Cash Out
 - a. Month End Surplus Cash Out

Cumulative surplus imbalances at the end of the month will be cashed-out as follows:

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

b. Month End Deficiency Cash Out

Cumulative deficiency imbalances at the end of the month will be cashed-out as follows:

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 _D. F. Smith, President, 10 Lafayette Square, Buffalo NY 14203 (Name of Officer, Title, Address)