

PSC NO: 8 GAS
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 10/01/04

LEAF: 270.1
REVISION: 3
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION No. 19 (Cont'd)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

3. Letter of Credit

Suppliers shall be permitted to accept Customer deposits if the Supplier maintains a Letter of Credit from financial institutions with a minimum "A" bond rating. Suppliers shall be required to file with the Commission and the Company proof of a sufficient Letter of Credit to cover current Customer deposits at the initiation of service to Customers and each August 1 thereafter.

b. Failure to meet Security Reporting Requirements

Failure to meet any of the security reporting requirements specified above will result in termination of a Supplier's ability to receive service under this Service Classification upon Order by the Commission of a violation of the security reporting requirements.

RATES AND CHARGES:

1. Distribution Services

The sum of the charges rendered for each of its STBA Customers at the appropriate rates for which each STBA Customer qualifies. Such services shall include, but not be limited to, transportation, balancing, capacity release and standby.

2. City Gate Imbalance Charges

The sum of City Gate underdelivery charges specified in the Special Provisions section.

3. Transition Surcharge

A Transition Surcharge shall be included in Suppliers' bills for service as provided in General Information Section 42.

Issued by D. E. Smith, President, 6363 Main Street, Williamsville, NY 14221
(Name of Officer, Title, Address)