

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

LEAF: 148.7  
REVISION: 0  
SUPERSEDING REVISION:

## GENERAL INFORMATION (Cont'd)

### II. 45. CONTINUED

#### b. Determination of the Total Amount of Costs to be Refunded or Surcharged

The total amount of uncollectible expense costs to be refunded or surcharged shall be determined as follows:

The balance in the Company's account for the Accumulated Provision for Uncollectible Accounts shall be compared to a targeted amount of \$13,828,546. If the balance in the Company's account for the Accumulated Provision for Uncollectible Accounts exceeds \$16,594,255, the Company shall calculate a refund for the amount that the Accumulated Provision for Uncollectible Accounts exceeds \$16,594,255. If the balance in the Company's account for the Accumulated Provision for Uncollectible Accounts is below \$11,062,837, the Company shall calculate a surcharge for the amount that the Accumulated Provision for Uncollectible Accounts is below \$11,062,837.

#### c. Calculation of Unit Refund Surcharge Amount

The total amount of costs to be refunded or surcharged as determined above shall be divided by the Company's annual sales forecast exclusive of interruptible sales, interruptible transportation and sales and transportation services in competitive situations.

### 46. AGGREGATION BILLING CHOICE COST SURCHARGE

#### a. Costs to be Recovered

Effective January 1, a charge will be included in the rates under Service Classifications identified below to provide for the recovery of aggregation billing choice ("ABC") costs as determined as follows: (1) the difference between the amount of billing backout credits included in the Supplier Transportation Balancing and Aggregation Service – Service Classification No. 19 and the actual avoided cost of billing. The Company shall file its Aggregation Billing Choice Cost Surcharge by November 30 of each year.

#### b. Applicability

The Company shall recover ABC costs through a surcharge to the rates for service rendered pursuant to Service Classification Nos. 1, 2A, 3, 4, 5, 6, 7, 8, 9, 13D and 13M.

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