

PSC NO: 8 GAS
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 11/30/04
ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 03-M-0117 DATED 10/25/04.

LEAF: 271
REVISION: 11
SUPERSEDING REVISION: 10

SERVICE CLASSIFICATION No. 19 (Cont'd)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

5. Billing Back-out Credits for Supplier-Issued Consolidated Bills

The Billing Back-out Credit for Supplier-issued consolidated bills, as described supra in Special Provisions Section 21 shall be \$0.80 per Customer.

6. Competition Back-out Credit

- (1) The competition Back-out Credit for Suppliers performing the billing function under Company's approved single retailer model is \$3.30 per Customer/month.
- (2) The competition Back-out Credit for Suppliers using Company's TIBS billing service is \$1.60 per Customer/month.

7. Storage Gas Transfer Rate

The Storage Gas Transfer Rate shall be the sum of (1) the base storage transfer rate, plus (2) the demand transfer recovery ("DTR") rate.

The base storage transfer rate will equal the weighted average commodity cost of gas injected into storage during the injection months (April through October). The DTR rate shall equal the per Mcf system average unrecovered demand charge revenue beginning in the month of April through the initial month that storage capacity is released to the Supplier. The system average unrecovered demand charge revenue shall equal the sum of the difference between the average demand charge revenues and the average fixed demand cost beginning the month of April through the initial month that storage capacity is released to the Supplier. The base storage transfer rate and DTR shall be filed with the Public Service Commission not less than three (3) business days prior to the beginning of the month for which the rate shall be in effect.

All revenues received from such gas storage transfers shall be credited to the Monthly Gas Supply Charge under General Information Section 19.f.(1).

8. Charge for Suspension of Service under Public Service Law §32(5)

The charge to affect a physical suspension of service pursuant to Public Service Law §32(5) shall be \$70.00. This charge shall be billed to the Supplier for completed suspensions performed on behalf of Supplier. Where the Customer's delivery service is shut off on behalf of both the Company and the Supplier, the charge billed to Supplier shall be reduced by 50%.

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