

PSC NO: 8 GAS
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 8/01/05
ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 04-G-1047 DATED 7/22/05.

LEAF: 165
REVISION: 9
SUPERSEDING REVISION: 7

SERVICE CLASSIFICATION No. 4 (Cont'd)

SUPPLEMENTAL SERVICE - Continued

The M.D.V. is established at the Customer's peak daily usage for the first winter month (December, January or February) that the Customer receives service under this Service Classification. Once the M.D.V. is established by the Customer's usage, it shall remain in effect for a 12-month period. In the event that the Customer subsequently exceeds the M.D.V. during the calendar months December, January or February, then the M.D.V. shall be reestablished at the higher volume. The reestablished M.D.V. shall remain in effect, and shall be used for billing the Customer, for a 12-month period starting with the billing month following the day it was established.

Volumetric Component -

For all gas delivered to the Customer, the Customer shall pay the "commodity cost of gas," as defined below, plus \$1.0621/Mcf for Customers previously served under SC 3. The "commodity cost of gas" is the weighted average Commodity Cost of Gas delivered to the Company through upstream pipelines as calculated in the Company's Monthly Gas Supply Charge under General Information Section 19 above, plus the Merchant Function Charge as specified in General Information Section 46.

WEATHER NORMALIZATION ADJUSTMENT:

Supplemental service rates shall be subject to a refund/surcharge per 100 cubic feet as set forth in Section 36, General Information.

TAKE OR PAY RECOVERY:

Supplemental service rates shall be subject to a surcharge per Mcf as set forth in Section 38, General Information.

TRANSITION SURCHARGE:

Rates under this Service Classification shall be subject to the Transition surcharge per 100 cubic feet as described in General Information Section 42.

RESEARCH AND DEVELOPMENT SURCHARGE:

Rates under this Service Classification shall be subject to the R & D surcharge per 100 cubic feet as Described in General Information Section 43.

LOST REVENUE RECOVERY CHARGE:

All gas delivered under this Service Classification shall be subject to the Lost Revenue Recovery Charge as described in General Information Section 45.

TERM:

Terminable by the Company in the manner prescribed by law and the Rules and Regulations herein set forth.

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