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COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 09/23/02 SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 148.6 Effective 03/22/2003
Effective date postponed to 03/22/03. See Supplement No. 9, 8, 7, 6
RECEIVED: 06/21/02 STATUS: Cancelled EFFECTIVE: 03/22/03

GENERAL INFORMATION (Cont'd)

II. 44. PARTNERSHIP FOR DG PILOT PROGRAM

a. Program Description

The Company shall be permitted to buydown the initial DG facility cost of qualifying Customer's distributed electric generation equipment. The Customer shall compensate the Company for the amount of the capital cost buydown through the incremental revenues derived from the Customer's DG transportation or sales contract with the Company.

b. Qualifying Customers

Customers that install a natural gas fired DG unit on their premises. Customer agrees that for the term of the contract (which may vary by Customer) the Company shall be their sole provider of natural gas delivery services. Customers must take service from the Company under one of the following service classifications: SC 5, SC 9, SC 13D, SC 13M, SC 16, or SC 17.

c. Term

The initial term for capital cost buydowns associated with the DG Pilot Program shall be through August 2007. The contract term with Customers shall be established through negotiations with the Customer.

d. Total Annual Limit on Capital Cost Buydowns

The annual average limit of the amount of capital cost buydowns provided by the Company over the term of the Pilot Program shall be \$2 million for a total amount of buydown over the term of the Pilot of \$10 million.

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