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COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 02/01/01 SUPERSEDING REVISION:

STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 99-M-0631 DATED 09/01/00.

CANCELLED by Supplement 5 effective 05/31/01 Suspended by order in Case 99-M-0631. See suppl. No. 4

RECEIVED: 11/01/00 STATUS: Cancelled EFFECTIVE: 06/01/01

GENERAL INFORMATION (Cont'd)

II. CONTINUED

44. <u>AGGREGATION BILLING CHOICE SURCHARGE</u>

Costs to Be Recovered

Effective March 1, 2001, 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, and (2) any net incremental costs associated with the implementation of the billing requirements stated in Case 99-M-0631, Order Providing for Customer Choice of Billing Entity, issued and effective March 22, 2000.

b. Applicability

The Company shall recover ABC costs through a surcharge to the rates for service rendered pursuant to Service Classification Nos. 1, 2, 2A, 3, 4, 5, 6, 7, 8, 9, 13D, 13M and 20.

c. Calculation of the Surcharge Rate

ABCCS = ABCCC + ABCCR

Where:

ABCCS = The Aggregation Billing Choice Surcharge per bill.

ABCCC = The current aggregation billing choice cost per bill as determined below.

ABCCR = The reconciliation of aggregation billing choice cost per bill as determined

below. The ABCCR shall be determined for each annual 12 month period ended

December 31.

 $ABCCC = ABCC \div B$

Where:

ABCC = Aggregation billing choice 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, multiplied by the total number of Customer bills receiving the billing backout credit multiplied by 12, and (2) any net incremental costs associated with the implementation of the billing requirement stated in Case 99-M-0631, Order Providing for Customer Choice of Billing Entity, issued and effective March 22, 2000. The actual avoided cost of

billing shall be \$0.29 per bill.

B = Total annual Customer bills for the rate classes applicable to the surcharge.

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