

..DID: 20402
..TXT: PSC NO: 8 GAS LEAF: 270.1
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 09/03/02 SUPERSEDING REVISION: 0
STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-M-0504 DATED 05/09/02.
RECEIVED: 08/30/02 STATUS: Effective EFFECTIVE: 09/03/02
SERVICE CLASSIFICATION No. 19 (Cont'd)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

3. Letter of Credit
Suppliers shall be permitted to accept Customer deposits if the Supplier maintains a Letter of Credit from financial institutions with a minimum "A" bond rating. Suppliers shall be required to file with the Commission and the Company proof of a sufficient Letter of Credit to cover current Customer deposits at the initiation of service to Customers and each August 1 thereafter.
- b. Failure to meet Security Reporting Requirements
Failure to meet any of the security reporting requirements specified above will result in termination of a Supplier's ability to receive service under this Service Classification upon Order by the Commission of a violation of the security reporting requirements.

RATES AND CHARGES:

1. Distribution Services
The sum of the charges rendered for each of its STBA Customers at the appropriate rates for which each STBA Customer qualifies. Such services shall include, but not be limited to, transportation, balancing, capacity release and standby.
2. City Gate Imbalance Charges
The sum of City Gate underdelivery charges specified in the Special Provisions section.
3. STBA Delivery Charge
For each Mcf of net surplus imbalance gas, which exceeds the surplus imbalance tolerance level included in the transportation services of the Supplier's STBA Customers, delivered on behalf of the Supplier for the account of a transportation Customer(s), the Company will charge a rate equal to the interruptible storage rate (on an Mcf basis) which is charged by National Fuel Gas Supply Corporation at the time of delivery.
4. Transition Surcharge
A Transition Surcharge shall be included in Suppliers' bills for service as provided in General Information Section 42.

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