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COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 04/01/99 SUPERSEDING REVISION: 0
STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 93-G-0932 DATED 11/03/98.
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RECEIVED: 02/01/99 STATUS: Cancelled EFFECTIVE: 04/01/99
SERVICE CLASSIFICATION No. 19 (Cont*d)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

(5) Appalachian production attached directly to the Company's system must have daily telemetric measurement equipment installed at Supplier's expense, whereby physical gas flows can be measured on a real time daily basis. Location of such production shall be subject to Company approval on a case-by-case basis. Quality of such production shall meet the requirements applicable to transportation service under Service Classification Nos. 13D and 13M, as set forth in General Information Section 26.

c. Upstream Capacity Included in Transportation Rates

Capacity needed to meet twenty-five percent (25%) of the Supplier's CTBA Customers' needs shall be retained by the Company and the applicable charges billed to CTBA Customers through the Reliability Capacity Charge ("RCC") under Rate Schedule CTBA. Company shall identify receipt points upstream of NFGSC where supplies will be accepted for redelivery to downstream receipt points. The Company will attempt to accommodate requests for particular capacity and receipt points on a first-come, first-serve basis. Furthermore, capacity will be re-allocated each April to reflect Suppliers' actual needs, as determined by the Company.

d. NFGSC Transmission Capacity Included in Transportation Rates

The Company will redeliver all upstream pipeline deliveries associated with Sections 2.b. and 2.c. above through NFGSC EFT capacity retained by the Company. Charges for such capacity are billed to CTBA Customers through the RCC under Rate Schedule CTBA.

3. Input Balancing Requirements

a. Determination of Daily Delivery Quantities and Aggregate Daily Delivery Quantities

The Company shall determine, based upon each Customer's historical load profile and/or estimates of consumption, a Supplier's projected normalized consumption for a given period; either monthly, weekly, or daily. Consumption estimates may be adjusted in response to weather forecasts. Based upon this projected consumption, the Company will determine each Customer's Daily Delivery Quantity (DDQ) and, by summing all DDQs of the CTBA Customers in the Supplier's CTBA Customer Group, the Supplier's CTBA Customer Group's Aggregate Daily Delivery Quantity (ADDQ). The DDQs and ADDQ so calculated will be used to determine the Supplier's daily City Gate delivery obligations, and the specific rates and charges as outlined in this Rate Schedule. ADDQ information shall be posted by the Company on the Company's internet web site, or such other medium as the Company deems appropriate.

A Supplier taking service under this Rate Schedule accepts the Company's calculation of the DDQ and/or ADDQ. The Company shall not be liable for the difference between the projected consumption and the consumption determination by the Company.

Issued by P.C. Ackerman, President, 10 Lafayette Square, Buffalo NY 14203
(Name of Officer, Title, Address)