

..DID: 2094
..TXT: PSC NO: 8 GAS LEAF: 194
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 04/01/98 SUPERSEDING REVISION:
STAMPS:
RECEIVED: 01/05/98 STATUS: Effective EFFECTIVE: 04/01/98
SERVICE CLASSIFICATION No. 10 (Cont*d)

SALES SERVICE FOR
CUSTOMERS OPERATING COGENERATION FACILITIES - Continued

Customer, the Company will recover any and all Company investment and expense associated with any and all incremental facilities required to provide service to the Customer. Such security shall be posted prior to commencement of construction of any and all incremental facilities.

2. Winter Requirements Charge: The Customer shall pay each month a sum sufficient to recover over a period of twelve (12) months any fixed charge incurred by the Company from its suppliers (not resulting from a daily quantity demand charge) as a result of purchases of gas during the Winter Period (1 November through 31 March). The period of time and the quantity of Winter Period Gas consumption for computations of the monthly Winter Requirements Charge for the Base Year shall be as agreed by the Company and the Customer. After the Base Year the monthly charge will be adjusted annually in accordance with the Annual Rate Adjustment Factor.
3. Unit Charge: A Unit Charge shall be due and payable for each Dekatherm of Gas sold to the customer by the Company. The unit charge shall be the sum of:
 - a. The commodity (variable) cost of Natural Gas purchased by the Company for resale as filed with the Commission as the commodity cost of gas portion of the Company's Boiler Fuel Rate pursuant to Service Classification No. 14, (for purposes herein, the successor to former Service Classification No. 11) Schedule P.S.C. No. 8 - Gas, expressed in dollars per dekatherm, prior to the end of each month and applicable to the following month.and,
 - b. The margin, expressed in dollars per dekatherm which, for the Base Year shall be that which is negotiated between the parties and shall fall within the following range.

MINIMUM MARGIN:

A rate sufficient to recover all remaining, (after consideration of the facilities charge) costs over the term of the contract plus a reasonable contribution to overall system costs.

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