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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. 18

CUSTOMER BALANCING AND AGGREGATION

APPLICABLE TO USE FOR:

Service hereunder is available to any party (hereinafter called the Aggregator) which (1) with the consent and appointment of the relevant transportation Customer and/or Customers, ("CBA Customer(s)") agrees to assume the primary responsibility of resolving the monthly imbalances of Customers served under monthly metered rate schedules or daily imbalances of Customers served under daily metered rate schedules, (2) meets the requirements for creditworthiness as established by the Company, and (3) has entered into a CBA Service Agreement with the Company. CBA Customers are limited to a single CBA agreement.

CHARACTER OF SERVICE:

To the extent that any imbalance occurs between the actual deliveries (including sales under the Company's Standby Sales Service and Transportation Sales Service as well as usage of previous month's overdeliveries) and actual usage of gas by a CBA Customer for which the Aggregator has assumed the primary responsibility for such imbalance pursuant to this Rate Schedule CBA, the CBA Customer under the applicable transportation service shall not be responsible, absent default of the Aggregator, for the cost of such imbalances. Service under this Rate Schedule shall permit the Aggregator to resolve the net effect of imbalances allocated to the Aggregator's CBA service agreement for the month in which the Customers have incurred such imbalances.

SERVICE PROVISIONS:

1. CBA Imbalance

For the Customers included in the Aggregator's CBA Service Agreement, ("CBA Group") the Company will net all the imbalances for which the Aggregator is responsible pursuant to this Rate Schedule into a single imbalance ("CBA Imbalance"). An Aggregator's CBA Service Agreement may aggregate only like transportation services (i.e., a CBA Service Agreement may aggregate only monthly metered transportation services with identical imbalance tolerances or daily metered transportation services. No mix of daily or monthly service may be aggregated under any single CBA Service Agreement or traded between CBA Service Agreements).

2. Resolution of CBA Imbalances

At the close of the billing month the Company will send a bill to the Aggregator, payable on receipt, for the administrative fee and any CBA Imbalance that is incurred under each CBA Service Agreement.

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