

..DID: 18913
 ..TXT: PSC NO: 8 GAS LEAF: 278
 COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
 INITIAL EFFECTIVE DATE: 05/01/02 SUPERSEDING REVISION: 0
 STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-G-1858 DATED 4/18/02.
 RECEIVED: 04/22/02 STATUS: Effective EFFECTIVE: 05/01/02
 SERVICE CLASSIFICATION No. 20

DEPARTMENT OF SOCIAL SERVICES
TRANSPORTATION, BALANCING AND AGGREGATION - Continued

In addition to meeting the City Gate balancing requirements set forth below, DSS Suppliers must maintain the start of the month (SOM) and end of the month (EOM) storage inventory levels as follows:

<u>Month</u>	Enrollment	
	<u>SOM Target</u>	<u>EOM Target</u>
April	0.00%	0.00%
May	14.00%	13.00%
June	29.00%	32.00%
July	43.00%	50.00%
August	57.00%	68.00%
September	71.00%	86.00%
October	86.00%	98.00%
November	100.00%	92.00%
December	80.00%	80.00%
January	60.00%	50.00%
February	40.00%	22.00%
March	20.00%	0.00%
March 15		17.00%

Suppliers must be within 2% of the EOM target percentage to satisfy the EOM percentage level requirement. Additionally, the Company will normalize winter EOM inventory percentages to accommodate colder-than-normal (CTN) weather. The following table identifies the incremental flexibility for CTN weather:

<u>Month</u>	<u>Month 15% CTN</u>	<u>Month 20% CTN</u>
November	2.00%	3.00%
December	1.50%	2.00%
January	1.00%	1.50%
February	0.50%	1.00%
March	0.00%	0.00%

The Company will not be obligated to sell gas to Suppliers that fail to meet the EOM inventory requirements or for transportation Customers that switch Marketers. Instead, the following provisions will apply:

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