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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.

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GENERAL INFORMATION (Cont\*d)

## II. 19.d. CONTINUED

Not less than three (3) days prior to any change in the Monthly Gas Supply Charge and the Delivery Adjustment Charge resulting from this provision for adjustment of rates according to changes in the monthly gas cost, a statement showing the Average Monthly Gas Supply Charge and the Delivery Adjustment Charge, the date at which and the period for which the average was determined and the amount of adjustment per 100 cubic feet together with the period such rate adjustment per 100 cubic feet will remain in effect will be duly filed with the Public Service Commission apart from this Rate Schedule. Such statement will be available to the public at Company offices at which application for service may be made.

The Company at its discretion will file a revised Monthly Gas Supply Charge Statement within five (5) calendar days of the first of the month of the initial filed Monthly Gas Supply Charge Statement when the replacement of estimated prices with actual prices results in a change in gas cost of more than 5%.

## e. Refund Provision

In the event that the rates and charges of any of the Company's gas suppliers or transporters are retroactively reduced, the total amount of refund, including interest, related to sales subject to the Monthly Gas Supply Charge, shall be credited to customers as follows:

- (1) The refund will be returned to customers through a credit to the Monthly Gas Supply Charge over a succeeding 12 month period. The rate of refund shall be computed by dividing the total amount to be refunded by the corresponding estimated sales for the next successive 12 calendar months. The Company will determine the total amount refunded to its customers on the basis of the actual 10 months' sales figures. Any balance of the refund remaining after the 10 months' actual refund and the 11th month estimated refund will be divided by an estimate of the 12th months' sales and will be reflected in the Monthly Gas Supply Charge for the 12th month.
- (2) All refunds concluded during the 12 months ending August 31 of each year will be reconciled with amounts intended to be refunded during that period and any difference along with any refund(s) being held by the Company because the amounts are too small to be credited separately shall be applied to the Annual Surcharge or Refund Computation.

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