

..DID: 2001
..TXT: PSC NO: 8 GAS LEAF: 93
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
GENERAL INFORMATION (Cont*d)

II. 20.c. CONTINUED

Usage over this new annual limitation will be billed, where appropriate, at the maximum tariff penalty for unauthorized use.

d. Right to Restrict Use

In addition to the foregoing, the Company reserves the right to further restrict the use of gas:

- (1) By industrial and/or commercial customers insofar as necessary to permit the supplying of reasonable demands for domestic consumption, or
- (2) To comply with the requirements of the Company's wholesale suppliers or the orders of the Public Service Commission. Industrial and/or commercial consumption is defined as the use of gas in factories, mercantile or business establishments, and schools as shall be determined by the Company upon survey, except public service corporations who intend to resell such gas.

e. Operational Flow Orders

During any period in which the Company determines, in its sole discretion, that its ability to accommodate imbalances is restricted or impaired, or in order to maintain system operational integrity, an Operational Flow Order ("OFO") shall be issued on a minimum 24 hours notice.

- (1) City Gate deliveries shall be restricted during OFO periods as follows:

(a) Overdelivery OFO

Overdelivery OFOs will be issued to restrict overdeliveries at the City Gate. During such a period, nominations that exceed the applicable DDQ or ADDQ by 2% shall be rejected.

(b) Underdelivery OFO

Underdelivery OFOs will be issued to assure that adequate supplies are delivered to the City Gate. During such a period, the customer or customer's agent shall be charged the higher of \$7.00 per Mcf or the highest per Mcf cost of gas purchased in Company's gas supply portfolio during the days of the OFO is applicable for underdeliveries between two (2) percent and up to or equal to five (5) percent of the applicable DDQ or ADDQ. For underdeliveries exceeding five (5) percent of the applicable DDQ or ADDQ, the customer

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