

PSC NO: 9 GAS  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 05/31/2016

SECTION: 0 LEAF: 74  
REVISION: 0  
SUPERSEDING REVISION:

### GENERAL INFORMATION (Cont'd)

#### II.20.E. – Cont'd

##### 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 Supplier shall be charged the Daily Index price for the cash out of imbalances set forth in General Information Section 29 plus \$25.00 per Mcf exceeding two (2) percent of the applicable DDQ or ADDQ, or the customer's usage in cases where it determines its own DDQ. If the Company has simultaneously issued a Notice of Unauthorized Period, as set forth in SC 11, during which the applicable SC 11 deficiency imbalance rate exceeds the applicable OFO rate, the SC 11 rate shall apply herein. In addition to the foregoing, failure to meet DDQ and ADDQ requirements during an OFO may result in discontinuation of service.

#### (2) The Company may also issue OFOs which apply to transportation Customers receiving daily metered service under SC 13 as follows:

##### a. Modifications of Daily Surplus or Deficiency Tiers

The Company may lower the percentage levels of the Daily Deficiency or Surplus tiers for SC 13 service during an OFO. The Company may change the first imbalance tiers for Daily Surplus or Deficiency Imbalances as circumstances warrant. The first imbalance tier for Daily Surplus or Deficiency Imbalances may be reduced to a range of 0-2% and the second tier will be correspondingly modified to a range of 2-15%.

##### b. Modifications of Daily Deficiency Rate during an OFO

When the Company declares a deficiency OFO for Deficiency Imbalances outside the first tier, the applicable charge shall be the higher of the rate under SC 11 or the rate produced by the index calculation at the applicable tier level.

##### c. Suspension of "No Harm, No-Foul" Rule

During an OFO, the "no harm, no-foul" rule shall not apply to Deficiency Imbalances from 0-2%.

#### (3) The Company may issue any other OFOs reasonably required to maintain system operational integrity and to assure continued service to its firm service Customers.

Issued by C. M. Carlotti, President, 6363 Main Street, Williamsville, NY 14221  
(Name of Officer, Title, Address)