Received: 04/28/2016 Status: CANCELLED Effective Date: 04/28/2017

PSC NO: 9 GAS SECTION: 16 LEAF: 1
NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 05/31/2016 SUPERSEDING REVISION:

SERVICE CLASSIFICATION No. 16

BYPASS RESPONSE - INDIVIDUALLY NEGOTIATED CONTRACTS FOR TRANSPORTATION SERVICE FOR CUSTOMERS OPERATING LARGE COGENERATION FACILITIES

A. APPLICABLE TO USE OF SERVICE FOR:

All Customer-owned gas transported by the Company pursuant to a valid transportation agreement between the Customer and the Company. The gas will be transported for the Customer's exclusive use in a facility having annual consumption in excess of 200,000,000 cubic feet.

B. CHARACTER OF SERVICE:

Interruptible transportation of Customer-owned gas. Except insofar as the Customer reserves sales status with respect to the facility, the Company has no obligation to secure gas supplies on behalf of the Customer or make gas supplies available to the Customer, and the Customer will be permitted to draw upon the Company's system supply only to the extent that service to Customers under other service classifications is not jeopardized or impaired. The Customer's ability to resume sales service upon termination of the Transportation Agreement will be subject to the availability of sufficient system supplies and to General Information Section 20.

C. QUALIFYING CUSTOMERS:

Customers qualifying for this rate must meet the following requirements

- (1) the Customer must totally revoke its right to firm service under the Company's tariff for all consumption by the facility.
- (2) the Customer must have equipment installed capable of providing a suitable back-up energy supply or the facility must have alternate fuel capability.
- the Customer must have installed the necessary electronic equipment, acceptable to the Company, which allows the Company to monitor the Customer's daily usage of gas.
- (4) the Company has determined that bypass of the Company is a real possibility.

D. RATE: (per month)

The rate and terms shall be the subject of a special contract negotiated between the Company and the Customer Negotiated Contracts at similar overall terms shall be available to all similarly situated Customers.

E. MINIMUM RATE:

A rate sufficient to recover all incremental costs over the term of the contract plus a reasonable contribution to overall system costs.

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