

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

SECTION: 19 LEAF: 3  
REVISION: 0  
SUPERSEDING REVISION:

SERVICE CLASSIFICATION No. 19 (Cont'd)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Cont'd

When, in the sole judgment of the Company, operational conditions do not warrant transfers of storage gas, notice shall be issued over an electronic bulletin board or other media, advising Suppliers of a temporary suspension in storage release services.

iii. Return of Storage Capacity

Return Due to Decreased Customer usage:

If a Supplier that has received storage capacity returns Customers to the Company, has Customers transfer to another Supplier or has a reduced storage obligation due to reductions in Customer usage, the Supplier will return the storage capacity associated with the reductions in Customer usage to the Company. Except by mutual agreement between the Supplier and the Company, the Supplier will transfer the associated storage gas to the Company at the base storage transfer rate. When the Company purchases inventory, the volume purchased will be sufficient to serve Customers based upon the start of the month targets set forth in (iv) below for the months during which Customers are returned. The Supplier shall be responsible for all taxes and pipeline fees associated with moving or transferring the storage gas to the Company

Return Due to Termination of STBA Agreement:

If a Supplier's STBA Agreement is canceled or terminated, the Supplier will return the storage capacity to the Company and transfer the storage gas to the Company at the base storage transfer rate. The Supplier shall be responsible for all taxes and pipeline fees associated with moving or transferring the storage gas to the Company. The Supplier also authorizes the Company to act on the Supplier's behalf to confirm all nominations necessary to give effect to this clause.

iv. Required Storage Inventory Levels

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

<u>Month</u>	<u>Enrollment SOM Target</u>	<u>EOM Target</u>	<u>Month</u>	<u>Enrollment SOM Target</u>	<u>EOM Target</u>
April	0.00%	0.00%	October	80.00%	95.00%
May	0.00%	12.00%	November	95.00%	90.00%
June	12.00%	29.00%	December	90.00%	75.00%
July	29.00%	46.00%	January	75.00%	50.00%
August	46.00%	63.00%	February	50.00%	28.00%
September	63.00%	80.00%	March	28.00%	0.00%

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