

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

SECTION: 17 LEAF: 4  
REVISION: 0  
SUPERSEDING REVISION:

SERVICE CLASSIFICATION No. 17 (Cont'd)

BASIC GAS-FOR-ELECTRIC-GENERATION-SERVICE TARIFF - Cont'd

J. TERMS OF PAYMENT:

All bills are due and are subject to a late payment charge in accordance with the provisions of General Information Section 8.E.

K. MINIMUM MONTHLY BILL:

As specified in the Transportation Service Agreement between the Customer and the Company.

L. MINIMUM CONTRACT VOLUME:

No less than fifty percent (50%) of the electric generator's maximum annual quantity.

M. BALANCING REQUIREMENTS:

Customers receiving service under this rate schedule are required to balance their deliveries of natural gas to the system for their account and the actual daily usage of gas by their account on a daily basis. Subject to system requirements and the projected operation of the electric generation facility, the Company may require deliveries to match facility usage on an hourly basis.

Balancing requirements shall be the responsibility of the party that nominates supply deliveries on behalf of the Customer (the "Supplier"). If the Supplier is not the Customer hereunder, service under this Service Classification shall be contingent on the Company's receipt of the Supplier's signed acknowledgment of the rules and regulations governing balancing as set forth below.

Daily imbalances greater than 2%, except as set forth below, are subject to cash out. The Index for the cash out of daily imbalances is the Daily Index set forth in General Information Section 29.

N. DAILY SURPLUS IMBALANCES:

As used in this rate schedule, Daily Surplus Imbalances shall be defined as daily deliveries for the Customer's account in excess of daily usage.

For daily surplus imbalances greater than 2% of actual daily usage the Customer's surplus in excess of 2% will be purchased by the Company ("cashed-out") according to the following price schedule:

2% to 15% at 90% of Index  
15% to 20% at 85% of Index  
> than 20% at 60% of Index

When operationally feasible, and only if, in the sole judgment of the Company, such transaction will not jeopardize or impair service to firm Customers, the Company may allow surplus imbalances associated with the Customer's account under this Service Classification to be nominated and delivered for the Customer's usage under this account.

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