PSC NO: 9 GASSECTION: 7 LEAF:1NATIONAL FUEL GAS DISTRIBUTION CORPORATIONREVISION:1INITIAL EFFECTIVE DATE:05/01/2017SUPERSEDING REVISION:0ISSUED IN COMPLIANCE WITH ORDER IN CASE NO.16-G-0257 DATED 04/20/170

SERVICE CLASSIFICATION No. 7

SALES SERVICE FOR CUSTOMERS OPERATING NATURAL GAS VEHICLES

A. APPLICABLE TO USE OF SERVICE FOR:

Consumption of natural gas by a Customer or Natural Gas Vehicle User ("NGV(1) User") where the gas is used directly in a natural gas motor vehicle. As used in this rate schedule, an NGV(1) User is an entity that takes delivery of natural gas at a Company-Owned facility without having established an SC 7 Customer account.

- B. RATE:
- (1) A rate per 100 cubic feet shall be established each month for each of the categories set forth below, at the Company's discretion, but not less than the 100% load factor cost of gas, plus the Base Reserve Capacity Rate, plus the incremental operating cost incurred by the Company for operating Company-owned NGV compression equipment on a per Ccf basis, if any, plus \$0.01 per 100 cu. ft., and not more than the 1,000 to 50,000 cubic feet block delivery rate available under the SC 3, plus the Monthly Gas Supply Charge, plus the Merchant Function Charge and the incremental operating cost incurred by the Company for operating Company-owned compression equipment on a per Ccf basis.

The 100% load factor cost of gas shall be as calculated in General Information Section 19.B.(2).c, and included in the Company's Monthly Gas Cost Statement.

Natural gas vehicle Customers are classified into the following categories:

- NGV(1) All NGV(1) Users utilizing Company-owned filling facilities. A uniform rate shall be established each month within the parameters set forth above, for NGV(1) Users utilizing Company-owned filling facilities.
- NGV(2) Natural gas vehicle Customers utilizing Customer-owned filling facilities. A uniform rate will be established each month, within the parameters set forth above, to Customers utilizing Customer-owned filling facilities.
- (2) Delivery Adjustment Charge

All gas delivered under this Service Classification shall be subject to surcharges, refunds or adjustments as set forth in General Information Section 38.B.(2).

C. NOTIFICATION OF RATE:

The Company shall notify Customers served under this Service Classification of the rates to be effective for each month. Such notice will be given to Customers establishing an account under this Service Classification, and filed with the Department of Public Service, not less than three (3) business days prior to the beginning of the month for which the rates will be in effect. The Company shall notify

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SERVICE CLASSIFICATION No. 7 (Cont'd)

SALES SERVICE FOR CUSTOMERS OPERATING NATURAL GAS VEHICLES - Cont'd

NGV Users of the rates to be effective for each month at the point-of-sale.

D. INCREASE IN RATES IN MUNICIPALITY WHERE SERVICE IS SUPPLIED:

The rates and charges under this Service Classification including charges specified under Special Provisions of this service shall be increased pursuant to General Information Section 35 to reflect the tax rates applicable within the municipality where the Customer is taking service.

E. MINIMUM CHARGE:

None.

- F. TERMS OF PAYMENT:
- (1) NGV(1) Users shall be required to pay at the point of sale by credit and/or debit card.
- (2) NGV(2) Customer bills are due and are subject to a late payment charge in accordance with the provisions of General Information Section 8.E.
- G. SPECIAL PROVISIONS:
- (1) Service is subject to the pertinent provisions of General Information Section 20 as hereinbefore set forth.
- (2) Service under this Service Classification shall be separately metered. The expense of installing facilities necessary to accomplish such separate metering shall be borne by the Customer.
- (3) The authorized agents of the Company shall, at all reasonable times, have such free access to the premises of the Customers receiving service under this Service Classification as may be necessary to confirm that gas supplied under this Service Classification is used only in natural gas vehicle filling equipment.
- H. TERM:

Terminable by the Customer on two (2) days' notice to the Company and by the Company in the manner prescribed by law and the Rules and Regulations herein set forth.

I. UNAUTHORIZED DEFICIENCY IMBALANCE PENALTY:

If any Customer should take during any year a volume of gas in excess of the amount allowable under General Information Section 20 as hereinbefore set forth, the Customer shall pay to the Company a penalty of \$3 for each Mcf of gas of such excess, which penalty shall be paid in addition to all other charges payable by the Customer hereunder.

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

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SERVICE CLASSIFICATION No. 7 (Cont'd)

SALES SERVICE FOR CUSTOMERS OPERATING NATURAL GAS VEHICLES - Cont'd

The payment of a penalty for unauthorized deficiency imbalance shall not under any circumstances be considered as giving any such Customer the right to take unauthorized deficiency imbalance, nor shall such payment be considered as a substitute for any other remedies available to the Company against the offending customer for failure to respect its obligation to adhere to the provisions of its Agreement with the Company.

If any Customer should take a volume of gas in contravention of curtailments imposed by the Company as contemplated in General Information Section 20.D., the Customer shall pay to the Company an additional penalty of \$7 for each Mcf of such gas taken in violation of such curtailment.