PSC NO: 9 GAS SECTION: 13 LEAF: 1

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 05/01/2017 SUPERSEDING REVISION: 0

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

SERVICE CLASSIFICATION No. 13

DAILY METERED TRANSPORTATION (DMT) SERVICE

A. APPLICABLE TO USE FOR:

For non-critical Customers with an annual consumption greater than 5,000 Mcf per year under a single account where the Customer totally revokes its status as a firm Customer under SC 1 and SC 3 and enters into a Transportation Service Agreement with the Company.

For critical Customers (any buildings heated solely by natural gas where persons reside, including apartment houses, prisons, dormitories, nursing homes, hospitals, hotels and motels) with annual consumption greater than 5,000 Mcf per year under a single account where the Customer totally revokes status as firm sales Customer under SC 1 and SC 3, enters into a Transportation Service Agreement with the Company, and has contracted for Standby Service to meet the entire needs of its facility.

B. CHARACTER OF SERVICE:

Transportation of gas to Customers. Whether such transportation is firm or interruptible and the degree to which such service is firm or interruptible shall be determined in the transportation contract between the Company and the Customer. A Customer heating any building solely by gas where persons reside, including apartment houses, prisons, dormitories, nursing homes, hospitals, hotels, and other buildings where persons may dwell on a permanent basis shall only be allowed firm service under this Rate Schedule. The default level of service will be firm transportation service. Except insofar as the Customer contracts for Standby Sales Service or Firm Transportation Sales Service with respect to identified gas burning equipment, the Company has no obligation to secure gas supplies on behalf of the Customer, and the Customer will be permitted to draw upon the Company's gas supply only to the extent that the Company permits authorized deficiency imbalances. The Customer's ability to elect sales service under SC 1 and SC 3 upon termination of the Transportation Service Agreement will be subject to the availability of sufficient system gas supplies. The Customer must have installed the necessary electronic equipment, acceptable to the Company on all of the meters for the Customer's account, which allows the Company to monitor the Customer's daily usage of gas. The Customer is responsible for the operating costs associated with any third-party telecommunication or meter data collection services necessary for the Company to provide service. Customer may designate a Marketer (the "DMT Supplier") to be responsible for all balancing requirements, supply nominations and additionally, to aggregate any imbalances hereunder with similarly situated customers. If the DMT Supplier is not the Customer hereunder, service under this schedule shall be contingent on the Company's receipt of the DMT Supplier's signed acknowledgement of the rules and regulations governing SC 13 service.

C. RATE:

(1) Minimum Charge

The monthly Minimum Charge ("MC"), which includes the transportation charge for the first Mcf of gas transported by the Company and a billing charge for Customers receiving a bill from the Company, is provided in General Information Section 38.A. and is applicable to Customers based upon classifications contained therein.

PSC NO: 9 GAS SECTION: 13 LEAF: 2

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 05/01/2017 SUPERSEDING REVISION: 0

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

SERVICE CLASSIFICATION No. 13 (Cont'd)

DAILY METERED TRANSPORTATION (DMT) SERVICE - Cont'd

(2) Transportation Charge

The default Transportation Charge ("TC") rate per Mcf for all volumes over 1 Mcf delivered to the Customer is provided in General Information Section 38.A. and is applicable to Customers based upon classifications contained therein.

Rates lower than and terms different from the rates and terms shown on this schedule may be negotiated with the Company. Any such negotiated rates and terms shall be specified in the Customer's Transportation Service Agreement. The minimum rate level which may be established in negotiations is \$0.1000 per Mcf.

The Company may also establish rates lower than the ceiling rates specified above for specific groups of Customers provided that the Company files the qualification criterion and the applicable rate with the Department of Public Service, not less than three business days prior to the beginning of the month for which the rate will be in effect. Provided, however, that the Company may increase said lowered default rate up to the maximum default rate at any time during the month twenty four hours after providing the Department of Public Service notice of such increase. The minimum rate level which may be established in negotiations is \$0.1000 per Mcf.

(3) Daily Imbalance Charges

a. Daily Surplus Imbalances

As used in this Rate Schedule, "surplus imbalances" shall mean the amount by which the volume of gas delivered, to the Company for the Customer's account during the day, after adjustment for line losses and after elimination of volumes purchased from the Customer by the Company, exceeds the total amount of transportation service volumes taken by the Customer from the Company during the day. Such surplus imbalance shall be computed each day. The rates set forth below shall be applied to the daily surplus imbalance volume occurring during each day of the billing month.

If on any day a SC 13 Customer's/Marketer's imbalance exceeds 10% and the combined imbalance of all SC 13 Customers is above the initial surplus tolerance band, the SC 13 Customer's/Marketer's surplus in excess of 10% will be purchased by the Company ("cashed-out") according to the following price schedule:

10% to 15% at 90% of Index 15% to 20% at 85% of Index > than 20% at 60% of Index

b. Daily Deficiency Imbalances

As used in this Rate Schedule, "deficiency imbalances" shall mean the amount by which

PSC NO: 9 GAS SECTION: 13 LEAF: 3

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 05/01/2017 SUPERSEDING REVISION: 0

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

SERVICE CLASSIFICATION No. 13 (Cont'd)

DAILY METERED TRANSPORTATION (DMT) SERVICE - Cont'd

the volume of gas delivered, to the Company for the Customer's account during the day after adjustment for line losses is less than the total amount of gas consumed by the Customer each day. The rates set forth below shall be applied to the daily deficiency volume occurring during each day of the billing month.

If on any day a SC 13 Customer's/Marketer's deficiency exceeds 10% and the combined deficiency imbalance of all SC 13 Customers exceeds 10% below the initial deficiency tolerance band, the SC 13 Customer's/Marketer's deficiency in excess of 10% will be cashed-out according to the following price schedule:

10% to 15% at 110% of Index 15% to 20% at 115% of Index > than 20% at 140% of Index

(4) Month End Imbalance Cash Out

At the end of the month, a SC 13 Customer's/Marketer's Daily Surplus Imbalances and Daily Deficiency Imbalances that were not cashed-out will be summed into a net imbalance volume for the SC 13 Customer/Marketer. A Month End Deficiency Imbalance occurs when the net imbalance volume is a quantity less than zero (imbalance due to the Company) and a Month End Surplus Imbalance occurs when the net imbalance volume is a quantity greater than zero (imbalance due from the Company).

An SC 13 Customer/Marketer may exchange a month end Imbalance under its SC 13 Service Agreement as set forth in General Information Section 30.

Month End Surplus Imbalances and Month End Deficiency Imbalances not resolved via Exchange of Net Imbalances will be cashed-out as set forth in General Information Section 30.

(5) Index Price

The Index for the cash out of daily imbalances is the Daily Index set forth in General Information Section 29.

(6) Miscellaneous Surcharges

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).

(7) Discount for Business Development Rate Customers

Base rates applicable to Customers who have qualified for the Business Development Rate under SC 3 will be discounted as provided in General Information Section 38.A.

PSC NO: 9 GAS SECTION: 13 LEAF: 4

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 05/01/2017 SUPERSEDING REVISION: 0

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

SERVICE CLASSIFICATION No. 13 (Cont'd)

DAILY METERED TRANSPORTATION (DMT) SERVICE - Cont'd

(8) Discount for Certain Economic Development Zone and Excelsior Program Rate Customers
Base rates applicable to Customers who have qualified for the Economic Development Zone and
Excelsior Program Rate under SC 3 will be discounted as provided in General Information
Section 38.A.

Revocation of firm sales status pursuant to this Service Classification will not disqualify a Customer from eligibility for Economic Development Zone and Excelsior Program Rates.

D. OPERATIONAL FLOW ORDER ("OFO"):

The Company reserves the right to declare Operational Flow Orders as described in General Information Section 20.E.

E. DELIVERY COSTS INCURRED BY THE COMPANY:

In the event that the provision of transportation service to the Customer requires the Company to engage them services of other transporters of gas, an amount reflecting the costs incurred by the Company will be added to the applicable rate.

F. APPLICATION OF CONSUMPTION:

Customer's daily consumption will be applied first to the Customer's nominated daily firm transportation sales requirement, second to current daily third party transportation deliveries, and third volumes up to contracted monthly Standby Service. Volumes consumed in excess of the above will be billed pursuant to the deficiency imbalance requirements of this Rate Schedule.

G. 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.

H. MINIMUM MONTHLY BILL:

The minimum monthly bill will be the appropriate Customer facility charge as listed above.

I. MAXIMUM DAILY QUANTITY:

The "Maximum Daily Quantity," as set forth in the Transportation Service Agreement, shall be the maximum quantity of natural gas in Mcf which the Company shall receive on any day from the customer.

Upon request of the Customer, the Company may receive on any day, volumes of gas in excess of the Maximum Daily Quantity in the Company's sole discretion. The Company shall not be obligated to receive during any single hour more than 1/24 of the Maximum Daily Quantity.

PSC NO: 9 GAS SECTION: 13 LEAF: 5
NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1

INITIAL EFFECTIVE DATE: 05/01/2017 SUPERSEDING REVISION: 0

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

SERVICE CLASSIFICATION No. 13 (Cont'd)

DAILY METERED TRANSPORTATION (DMT) SERVICE - Cont'd

- J. SPECIAL PROVISIONS:
- (1) The expense of installing facilities necessary to receive and meter gas delivered by or for the account of the Customer shall be borne by the Customer.
- (2) Deliveries by or for the account of the Customer will be subject to the availability of sufficient pipeline capacity and will be made against line pressure at a maximum pressure to be designated by the Company from time to time in its sole discretion. Gas to be delivered to the Company shall not be compressed except where specifically permitted by the Company.
- (3) Gas delivered by the Customer must satisfy the quality specifications set forth in the Transportation Service Agreement. Deliveries must be made at an appropriate Company facility located within the Territory described in Part I of this Schedule, or at another point or points acceptable to the Company.
- (4) As allowance for losses incurred in the process of delivery, the Customer shall provide the Company with a volume of gas equal to the amount delivered to the Company, multiplied by the purchase method Factor of Adjustment set forth in General Information Section 38.B.(3). For transportation of gas purchased by the Customer from the Company under SC 11, SC 12, and SC 14, such allowance shall be recovered through the rate charged under SC 11, SC 12, and SC 14 and shall not be charged under this Rate Schedule.
- (5) The Company reserves the right to suspend its receipt of gas on behalf of the Customer at any location if it believes that such action is required by its obligation to provide safe and adequate service to its Customers.
- (6) The Customer may reserve firm transportation sales or standby status with respect to separately metered gas burning equipment identified in the Transportation Service Agreement. The expense of installing facilities necessary to accomplish such separate metering shall be borne by the Customer.
- (7) The term of the Service Agreement for default-rate service hereunder shall be month-to-month unless cancelled by default of any terms or conditions hereof, or upon fifteen (15) days notice prior to the end of a term, or otherwise by mutual agreement.
- (8) If an electric generation Customer takes gas service for delivery during a period of interruption, the Customer shall pay to the Company an additional twenty-five dollars (\$25) per Mcf for such gas taken during the interruption period.
- (9) Existing electric generation Customers that fail to comply with an interruption, and new electric generation Customers, shall install and pay for remotely operated valves or other equipment that is functionally equivalent to a remotely operated valve, including the cost of installing telemetric equipment for monitoring purposes.

PSC NO: 9 GAS SECTION: 13 LEAF: 6

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 01/25/2018 SUPERSEDING REVISION:

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

SERVICE CLASSIFICATION No. 13 (Cont'd)

DAILY METERED TRANSPORTATION (DMT) SERVICE - Cont'd

K. INCREASE IN RATES IN MUNICIPALITY WHERE SERVICE IS SUPPLIED

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