

PSC NO: 8 GAS  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 02/01/12

LEAF: 243  
REVISION: 3  
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION No. 16

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

SC 16 service gas transported to the Customer by the Company in the billing month shall be \$0.3053 per Mcf.

For surplus imbalances equal to or more than 29% of the volume of SC 16 service gas transported to the Customer by the Company during the billing month, the charge for such surplus imbalances shall be \$0.5136 per Mcf.

BURNER TIP DEFICIENCY IMBALANCES:

Deficiency imbalances, when available, will be billed at the SC 11 sales rate, unless otherwise provided by mutual agreement.

The Company will curtail deficiency imbalances before it imposes any curtailments on its gas sales Customers under Section 20.e., General Information. Upon notice from the Company that deficiency imbalances will not be available, the Customer must control its usage and deliveries to ensure that further deficiency imbalances do not occur during the time period specified. The Customer shall pay to the Company an additional penalty of \$7.00 for each Mcf of deficiency imbalances taken in violation of such curtailment.

MONTH END BURNER TIP BALANCING, IMBALANCE EXCHANGE AND CASH OUT:

Month end burner tip imbalances, excluding deficiency imbalances billed at the SC 11 sales rate as described above, will be resolved as follows:

a. Aggregated Customers or Direct Customers

Burner tip imbalances are governed by the terms of SC 19.

b. Non-aggregated Customers

A Customer may exchange a month end imbalance due the Company under its SC 16 Service Agreement with an imbalance due from an Imbalance Holder as set forth in General Information Section 52 but is not subject to the cash out provisions contained therein.

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