

PSC NO: 8 GAS
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 02/28/07

LEAF: 266
REVISION: 7
SUPERSEDING REVISION: 6

SERVICE CLASSIFICATION No. 19

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

- (iii) If a Supplier requests access to a receipt point currently not available or if a receipt point is fully subscribed by other Suppliers, the Company will attempt to provide access to such receipt point, subject to operational considerations.
- (iv) Suppliers using Appalachian production as an alternative to elective upstream pipeline capacity must request access to primary receipt points which coincide with the production area in which the Appalachian production is located.
- (v) With respect to Appalachian production attached directly to the Company's system, 100% of the historical average daily production for the month will be accepted to meet the percentage of extreme day requirements otherwise served by capacity upstream of intermediate pipeline capacity. Where Company has more current information concerning production deliverability, it may apply the 100% factor to the resulting projection of average daily production for the month. While 100% of historical daily average shall be made available (except as noted above), gas must be scheduled on a daily basis to be delivered to an STBA Pool in order for such volumes to be allocated that day. Except for volumes within a 5% tolerance band of the 100% level, in no event shall volumes under the 100% level that are not scheduled for delivery to STBA Pools be made available as a carryover for nominations to STBA Pools on a subsequent day during the month. Quality of such production shall meet the requirements applicable to transportation service under SC 13D and SC 13M, as set forth in General Information Section 26.

b. Company-Provided Capacity

This is an option until capacity under Section 2.(3) above is no longer available, upon which time this shall become mandatory for all additional Customers added under this Service Classification. The percentage of extreme day requirements to be served by pipeline capacity upstream of NFGSC ("Critical Capacity") obtained by the Supplier shall be as determined at Section 2.(2)(a)(i) above. As to Critical Capacity, the following requirements shall apply:

- (i) Supplier, if capacity under Section 2.(3) above is available, must elect its intention to utilize Critical Capacity, in total or in part, by April 1 of each year.
- (ii) Critical Capacity released hereunder will be at the maximum tariff rates, will be recallable and re-releasable, will not permit amendments to receipt points or delivery points, and will be on a monthly basis to facilitate capacity adjustments to due to customer migration.
- (iii) Suppliers will be required to flow specified quantities of gas, as applicable and necessary, to ensure that proper inventory levels are achieved at the end of each month in NFGSC storage fields.
- (iv) Suppliers will be required to maintain prescribed storage inventory levels, as applicable and necessary, in DTI GSS storage capacity.

Issued by R. I. Tanski, President, 6363 Main, Williamsville, NY 14221
(Name of Officer, Title, Address)