PSC NO: 8 GAS NATIONAL FUEL GAS DISTRIBUTION CORPORATION INITIAL EFFECTIVE DATE: 12/28/07 ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 07-G-0141 DATED 12/21/07.

LEAF: 45 REVISION: 1 SUPERSEDING REVISION: 0

GENERAL INFORMATION (Cont'd)

II. 8.e. CONTINUED

For residential Customers with a deferred payment agreement, a late payment charge shall not be applied if the regularly scheduled bill (which includes current charges plus the installment amount to pay down the restructured balance) is paid within twenty (20) days of when the bill is due.

Late payment charges shall be applied unless payment in full is made on the current bill and all bills in arrears, if any. In case partial payment is made, it shall apply on the oldest bill in arrears. Remittance mailed on the last date a bill is payable without imposition of the late payment charge will not be subject to the late payment charge; the postmark to be conclusive evidence of time of mailing. The failure of a Customer to receive the bill shall not exempt him from imposition of the late payment charge.

For all service, except to State agencies, rendered under all Service Classifications a late payment charge at the rate of one and one-half percent (1 1/2%) per monthly billing period will be applied to all amounts previously billed under this tariff, including arrears and unpaid late payment charges applied to previous bills. The charge will also be applied to amounts due by non-residential Customers under deferred payment agreements for arrears, and when residential Customers whose arrears had been restructured under a deferred payment agreement fail to make timely payment in accordance with a deferred payment agreement.

Service to State agencies will be rendered in accordance with the applicable provisions of the State Finance Law.

f. Interest on Customer Overpayments

The Company shall provide interest on Customer overpayments in accordance with 16 NYCRR 277.

A Customer overpayment is defined as payment by the Customer to the Company in excess of the correct charge for gas service supplied to the Customer, which was caused by erroneous billing by the Company.

The rate of interest on Customer overpayments shall be the greater of the unadjusted Customer deposit rate or the applicable late payment rate, if any, for the Service Classification under which the Customer was billed. Interest shall be paid from the date when the Customer overpayment was made, adjusted for any changes in the deposit rate or late payment rate, and compounded monthly, until the date when the overpayment was refunded.

The Company shall be required to pay interest according to the terms herein on any Customer refunds that occurred on or after August 24, 1992. Interest will not be paid on Customer overpayments that are refunded within 30 days after such overpayment is received by the Company.

Issued by <u>R. J. Tanski, President, 6363 Main Street, Williamsville NY 14221</u> (Name of Officer, Title, Address)