

PSC NO: 8 GAS
 NATIONAL FUEL GAS DISTRIBUTION CORPORATION
 INITIAL EFFECTIVE DATE: 10/01/03
 ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-G-1858 DATED 9/18/03.

LEAF: 200
 REVISION: 2
 SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION No. 11

DEFICIENCY IMBALANCE SALES SERVICE FOR TRANSPORTATION CUSTOMERS

APPLICABLE TO USE FOR:

Sales of Company-owned gas to transportation service Customers to meet requirements in excess of volumes received for the account of Customer and re-delivered by Company pursuant to Customer's Transportation Service Agreement, or in excess of contracted level of standby service under SC 12.

CHARACTER OF SERVICE:

Interruptible sales service available only to the extent that service to Customers under firm sales classifications is not jeopardized or impaired.

RATE:

Rates charged to Customers under this Rate Schedule shall be applied to delivery deficiencies as listed below. Delivery deficiencies shall be equal to any delivery shortfalls between the amount of gas consumed by the Customer during the month less the amount of gas transported to the Customer under the Company's applicable transportation service rate schedules. The percentage deficiencies listed below shall be equal to the Customer's delivery deficiencies divided by the Customer's total monthly consumption.

Charges for all volumes between 0 – 2% Deficiency Range -	Total Gas Cost Rate per Ccf (Equivalent to Company's Weighted Average Cost of Gas)
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Charges for all volumes above
2% Deficiency Range -

- | | |
|--|---|
| 1. Authorized Periods | |
| For Ccf deficiency imbalance sales
in the months of April through
October | 110% of the per Ccf Total Gas
Cost Rate for the month |
| For Ccf deficiency imbalance sales
in the months of November through
March | 125% of the per Ccf Total Gas
Cost Rate for the month |
| 2. Unauthorized Periods | |
| For Ccf deficiency imbalance sales
in the months of April through
October | 110% of the per Ccf Total Gas
Cost Rate for the month
plus \$0.70 per Ccf |
| For Ccf deficiency imbalance sales
in the months of November through
March | 125% of the per Ccf Total Gas
Cost Rate for the month
plus \$0.70 per Ccf |

Issued by D. E. Smith, President, 10 Lafayette Square, Buffalo NY 14203
 (Name of Officer, Title, Address)