

..DID: 2697
..TXT: PSC NO: 8 GAS LEAF: 245
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 04/01/98 SUPERSEDING REVISION: 0
STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 98-G-0013 DATED 3/23/98.
RECEIVED: 03/31/98 STATUS: Effective EFFECTIVE: 04/01/98
SERVICE CLASSIFICATION No. 16 (Cont*d)

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

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. If a Customer receiving gas transported by the Company uses less than the amount of gas delivered into the Company's system for transportation to such Customer ("surplus imbalances"), the Customer receiving gas transported by the Company may use such gas during the banking/balancing period defined below, following which the Company shall have the right, but not the obligation, to purchase remaining surplus imbalances of gas from the Customer at a rate equal to the Company's average commodity cost of locally-produced gas during the current month. The banking/balancing period shall be the three billing months after the billing month in which the Company received surplus imbalances in behalf of the Customer.
5. As allowance for losses incurred in the process of delivery, the Customer shall provide the Company with a volume of gas equal to the current Public Service Commission authorized lost and unaccounted for percentage of the amount delivered to the Company. In the alternative, the parties may establish a loss allowance appropriate under the circumstances.

Issued by P.C. Ackerman, President, 10 Lafayette Square, Buffalo NY 14203
(Name of Officer, Title, Address)