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..DID:     8018
..TXT: PSC NO: 8   GAS                    LEAF: 265
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION        REVISION: 2
INITIAL EFFECTIVE DATE: 04/01/99      SUPERSEDING REVISION: 1
STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 97-G-1380 ET AL. DATED 03/
Cancelled by 3 Rev. Leaf No. 265 Effective 05/01/2002
RECEIVED: 03/31/99 STATUS: Cancelled EFFECTIVE: 04/01/99
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<center>SERVICE CLASSIFICATION No. 19 (Cont*d)</center>

<center>SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued</center>

Storage gas shall be transferred with released capacity as follows:

Capacity transfer month ending	Volumes of storage gas transferred as a percentage of released capacity
April	14.29%
May	28.57
June	42.86
July	57.14
August	71.43
September	85.71
October	100.00
November	80.00
December	60.00
January	40.00
February	20.00
March	0.00

When, in the sole judgment of the Company, operational conditions do not warrant transfers of storage gas, notice shall be issued over an electronic bulletin board or other media advising Suppliers of a temporary suspension in storage release services.

(ii) Term

Storage capacity will be released to Suppliers for a term of twelve months, or a portion thereof, ending March 30 of each year.

(iii) Return of Storage Capacity

If a Supplier who has elected to receive released storage capacity in the prior year elects, effective April 1, to return storage capacity to the Company or a third party, the Supplier may either (1) transfer the remaining storage gas to a third party, subject to applicable pipeline requirements and charges; or (2) transfer the storage gas to the Company at the lesser of (a) 95% of the Company*s lowest monthly weighted average commodity cost of gas during the previous storage injection period (April through October), plus associated variable transportation cost to NFGSC*s City Gate; or (b) 95% of the Market Price of gas for that day which shall be determined by reference

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