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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 97-G-1380 ET AL. DATED 03/24/9

Cancelled by 3 Rev. Leaf No. 266 Effective 05/01/2002

RECEIVED: 03/31/99 STATUS: Cancelled EFFECTIVE: 04/01/99

SERVICE CLASSIFICATION No. 19 (Cont\*d)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

to the Gas Daily Index, "Daily Price Survey" for "Appalachia," "CNG North Point," plus associated variable transportation costs to the Company's City Gate. The Supplier shall be responsible for all taxes and pipeline fees associated with moving or transferring the storage gas to the Company.

If a Supplier's STBA Agreement is canceled or terminated, the Company will recall storage capacity that has been released to the Supplier. The Company shall have the right but not the obligation to purchase the remaining storage gas at the lesser of (a) 95% of the Company's lowest monthly weighted average commodity cost of gas during the previous injection period (April through October), plus associated variable transportation costs to the Company's City Gate and storage demand capacity charges on such volumes since April 1; or (b) 95% of the Market Price of gas for that day which shall be determined by reference to the Gas Daily Index, "Daily Price Survey" for "Appalachia," "CNG North Point," plus associated variable transportation costs to the Company's City Gate and storage demand capacity charges on such volumes since April 1. The Supplier shall be responsible for all taxes and pipeline fees associated with moving or transferring the storage gas to the Company.

(iv) Determination of Daily Delivery Quantities and Aggregate Daily Delivery Quantities

The Company, based upon each customer's historical load profile and/or estimates of consumption, shall determine a Supplier's projected normalized consumption for a given period; either monthly, weekly, or daily. Based upon this projected consumption, the Company will determine each Customer's DDQ and, by summing all DDQs of the STBA Customers in the Supplier's STBA Customer Group, the Supplier's STBA Group's ADDQ. The DDQs and ADDQ so calculated will be used to determine the Supplier's daily delivery obligations, and the specific rates and charges as outlined in this Rate Schedule. ADDQ information shall be posted by the Company on the Company's internet web site, or such other medium as the Company deems appropriate.

A Supplier taking service under this Rate Schedule accepts the Company's calculation of the DDQ and/or ADDQ. The Company shall not be liable for the difference between the projected consumption and the consumption determination by the Company.

Issued by P.C. Ackerman, President, 10 Lafayette Square, Buffalo NY 14203

(Name of Officer, Title, Address)