Received: 02/01/1999 Status: CANCELLED Effective Date: 04/01/1999

..DID: 7068

..TXT: PSC NO: 8 GAS LEAF: 189

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. 93-G-0932 DATED 11/03/98.

Cancelled by 3 Rev. Leaf No. 189 Effective 04/01/1999

RECEIVED: 02/01/99 STATUS: Cancelled EFFECTIVE: 04/01/99

SERVICE CLASSIFICATION No. 9

SMALL COGENERATION SALES SERVICE

APPLICABLE TO USE OF SERVICE FOR:

Consumption of natural gas by a non-residential Customer where the gas is used directly in natural gas cogeneration equipment.

QUALIFYING CUSTOMER:

Customers qualifying for this rate must own or operate a qualifying cogeneration facility as that term is defined in the Public Utility Regulatory Policies Act or the Public Service Law, as amended from time to time. Individual electrical generating units shall not be rated greater than 500 kilowatts.

RATE:

For all consumption per 100 cu. ft.

\$0.30404

The Base Cost of Gas for this rate is \$0.251450 per 100 cu. ft. which is equivalent to the Base Cost of Gas of \$0.245667 included in Section II.19 increased by the loss factor of 2.30%. The Base Cost of Gas for this rate is based on an 85% load factor (as calculated based on the demand component and commodity component set forth in Service Classification No. 5 rate and the Base Cost of Gas established in Case 98-G-1291).

The non-gas cost of this rate is \$0.05259 per 100 cu. ft. The non-gas cost for this rate is based on an 85% load factor (as calculated based on the demand component and commodity component set forth in Service Classification No. 5 rate).

GAS ADJUSTMENT:

The charges set forth herein, including charges specified under Special Provisions of this Service Classification, shall be subject to a gas adjustment per 100 cubic feet of gas supplied hereunder when changes from Base Cost of Gas occur (as explained on Leaf Nos. 74-84).

UTILITY LOW INCOME ENERGY EFFICIENCY PROGRAM (ULIEEP) SURCHARGE:

The rates in this Service Classification shall be increased by the ULIEEP surcharge, as described in General Information Section 39.

TAKE OR PAY RECOVERY:

Natural gas cogeneration sales rates shall be subject to a surcharge per 100 cubic feet as set forth in Section 38, General Information.

STRANDED CAPACITY COST CHARGE:

Rates under this Service Classification shall be subject to a surcharge per 100 cubic feet for Stranded Capacity Costs as described in General Information Section 42.

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