

..DID: 7039
..TXT: PSC NO: 8 GAS LEAF: 268
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 04/01/99 SUPERSEDING REVISION: 0
STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 93-G-0932 DATED 11/03/98.
Cancelled by 2 Rev. Leaf No. 268 Effective 04/01/1999
RECEIVED: 02/01/99 STATUS: Cancelled EFFECTIVE: 04/01/99
SERVICE CLASSIFICATION No. 19 (Cont*d)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

6. Allowance for Losses

As allowance for losses incurred in the process of delivery, the Supplier shall provide the Company with a volume of gas equal to 2.3 percent of the amount delivered to the Company. In addition, for deliveries into Company capacity retained as described in Sections 2.b. and 2.c. Suppliers shall provide incremental quantities of gas equal to the amount of retainage required to transport gas from the receipt point into such Company retained capacity to the entry point to Company's City Gate.

7. System Maintenance Order ("SMO")

a. Issuance of SMOs

In its discretion, the Company may issue SMOs from time-to-time in order to assure that gas flows to the City Gate in volumes and at connection points where needed. Such SMOs may include orders to deliver gas at any or all of the interconnection points obtained by or allocated to Suppliers in Special Provisions Section 2.c. above, to deliver gas at particular primary points into NFGSC, or into the particular primary points of the Company Retained Upstream Capacity, as well as orders to deliver additional gas to or from storage. If, in the Company's sole discretion, a SMO does not serve its intended purpose, the Company may issue an OFO.

b. Communication of SMOs

SMOs will be communicated to Suppliers through the Company's internet web site with four (4) hours advance notice. Such notice will be supplemented by the use of internet e-mail notification to a Supplier's internet address or such other appropriate medium, such as fax or telephone call.

8. Operational Flow Orders ("OFO")

The Company reserves the right to issue OFOs as described in General Information Section 20.e.

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