..DID: 2140 ..TXT: PSC NO: 8 GAS LEAF: 240 COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0 INITIAL EFFECTIVE DATE: 04/01/98 SUPERSEDING REVISION: STAMPS: Cancelled by 1 Rev. Leaf No. 240 Effective 06/21/2002 RECEIVED: 01/05/98 STATUS: Cancelled 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

4. the Company has determined that bypass of the Company is a real possibility.

RATE: (per month)

The rate and terms shall be the subject of a special contract negotiated between the Company and the Customer.

Negotiated Contracts at similar overall terms shall be available to all similarly situated Customers.

MINIMUM RATE:

A rate sufficient to recover all incremental costs over the term of the contract plus a reasonable contribution to overall system costs.

MAXIMUM RATE:

SC 13 Transportation Ceiling Rate.

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:

Transportation rates shall be subject to a surcharge per Mcf as set forth in Section 38, General Information.

Specific mechanisms for the collection (or refund) of Pipeline Supplier Take or Pay Expense Recovery Surcharge shall be a subject to be detailed in the Transportation Agreement.

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