Received: 03/21/2003 Status: CANCELLED Effective Date: 03/22/2003

..DID: 21893

..TXT: PSC NO: 8 GAS LEAF: 240

COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 3

INITIAL EFFECTIVE DATE: 03/22/03 SUPERSEDING REVISION: 2

STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-G-1858 DATED 03/20/03.

RECEIVED: 03/21/03 STATUS: Effective EFFECTIVE: 03/22/03

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.

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>D. F. Smith, President, 10 Lafayette Square, Buffalo NY 14203</u> (Name of Officer, Title, Address)