..DID: 18875 ..TXT: PSC NO: 8 GAS LEAF: 168 COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 1 INITIAL EFFECTIVE DATE: 05/01/02 SUPERSEDING REVISION: 0 STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-G-1858 DATED 4/18/02. RECEIVED: 04/22/02 STATUS: Effective EFFECTIVE: 05/01/02 SERVICE CLASSIFICATION No. 4 (Cont*d)

SUPPLEMENTAL SERVICE - Continued

- 8. Service under this Service Classification must commence during December, January or February. If a Customer requests and qualifies for SC 4 service during any month other than December, January or February, the Customer will receive gas service under another applicable service classification until the next December 1, at which time service under this Service Classification shall commence.
- 9. Certain Customers qualifying for service hereunder may have the option to elect to receive Supplemental Gas Service from the Company under other Service Classifications. Customers may elect to receive Supplemental Service under other Service Classifications if their independent supply sources were fully secured prior to February 13, 1987. To qualify for this election, Customers must have had a contractual obligation prior to February 13, 1987 (i) to pay for the drilling of a gas well on their own property, or (ii) to pay for gas delivered from a third party at an established rate. The right to elect to receive supplemental service under other Service Classifications shall cease after the initial term of the contract with the third party vendor. Customers obtaining independent supply sources after February 13, 1987, do not qualify for the right to elect to receive Supplemental Service under other Service Classifications.

UNAUTHORIZED DEFICIENCY IMBALANCE PENALTY:

If any Customer should take during any year a volume of gas in excess of the amount allowable under Section 20 as hereinbefore set forth under General Information, the Customer shall pay to the Company a penalty of \$3 for each Mcf of gas of such excess, which penalty shall be paid in addition to all other charges payable by the Customer hereunder.

The payment of a penalty for authorized deficiency imbalance shall not under any circumstances be considered as giving any such Customer the right to take unauthorized deficiency imbalance, not shall such payment be considered as a substitute for any other remedies available to the Company against the offending Customer for failure to respect its obligation to adhere to the provisions of its agreement with the Company.

If any Customer should take a volume of gas in contravention of curtailments imposed by the Company as contemplated in Section 20.d. of General Information, the Customer shall pay to the Company an additional penalty of \$7 for each Mcf of such gas taken in violation of such curtailment.

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