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..TXT: PSC NO: 8 GAS LEAF: 266
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 3
INITIAL EFFECTIVE DATE: 05/01/02 SUPERSEDING REVISION: 2
STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-G-1858 DATED 4/18/02.
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SERVICE CLASSIFICATION No. 19 (Cont*d)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Continued

The above-listed "Dth Rights" values may be changed based on Company's contractual commitments and F.E.R.C. rules and regulations. Suppliers will receive thirty (30) days written notice of any such change, after which the value subject to such change shall be fully superseded and replaced by the noted value.

(iii) If a Supplier requests access to a receipt point currently not available or if a receipt point is fully subscribed by other Suppliers, the Company will attempt to provide access to such receipt point, subject to operational considerations.

(iv) Suppliers using Appalachian production as an alternative to elective upstream pipeline capacity must request access to primary receipt points which coincide with the production area in which the Appalachian production is located.

(v) Appalachian production attached directly to the Company*s system must have daily telemetric measurement equipment installed at Supplier*s expense, whereby physical gas flows can be measured on a real time basis. Where telemetric equipment is not installed, and for orifice and rotary meters only, 60% of the historical average daily production for the month will be accepted to meet the percentage of extreme day requirements otherwise served by capacity upstream of intermediate pipeline capacity. Where Company has more current information concerning production deliverability, it may apply the 60% factor to the resulting projection of average daily production for the month. While 60% of historical daily average shall be made available (except as noted above, gas must be scheduled on a daily basis to be delivered to an STBA Pool in order for such volumes to be allocated that day. Any volumes under 60% not scheduled for delivery to an STBA Pool may be scheduled for delivery to Customers receiving service under other transportation classifications, as appropriate to the terms and conditions of the applicable tariff. In all cases, gas scheduled to STBA Pools will be allocated ahead of gas scheduled to other transportation Customers. In no event shall volumes under the 60% level that are not scheduled for delivery to STBA Pools be made available as a carryover for nominations to STBA Pools on a subsequent day during the month. Quality of such production shall meet the requirements applicable to transportation service under SC 13D and SC 13M, as set forth in General Information Section 26.

(4) Determination of Daily Delivery Quantities and Aggregate Daily Delivery Quantities

The Company shall determine, based upon each Customer*s historical load profile and/or estimates of consumption, a Supplier*s projected normalized consumption for a given period; either monthly, weekly, or daily. Consumption estimates may be adjusted in response to weather forecasts. Based upon this projected consumption, the Company will determine each Customer*s DDQ and, by summing all DDQs of the STBA Customers in the Supplier*s STBA Customer Group, the Supplier*s STBA Customer Group*s ADDQ. The DDQs and ADDQ so calculated will be used to determine the Supplier*s daily City Gate delivery obligations, and the specific rates and charges as outlined in this Rate Schedule. ADDQ information shall be posted by the Company on the Company*s internet web site, or such other medium as the Company deems appropriate.

A Supplier taking service under this Rate Schedule accepts the Company*s calculation of the DDQ and/or ADDQ. The Company shall not be liable for the difference between the projected consumption and the consumption determination by the Company.

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