

PSC NO: 9 GAS  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 05/31/2016

SECTION: 16 LEAF: 5  
REVISION: 0  
SUPERSEDING REVISION:

SERVICE CLASSIFICATION No. 16 (Cont'd)

BYPASS RESPONSE - INDIVIDUALLY NEGOTIATED CONTRACTS FOR TRANSPORTATION  
SERVICE FOR CUSTOMERS OPERATING LARGE COGENERATION FACILITIES - Cont'd

within Company's territory in later months. The Customer must elect this option in writing or the Company may purchase said surplus volumes.

S. IMBALANCE RESOLUTION THROUGH ESS TRANSFER

A non-aggregated Customer is permitted to reduce or eliminate a burner tip deficiency imbalance by transferring gas from the account of the party that nominates supply deliveries on behalf of the Customer (the "Supplier") for Enhanced Storage Service ("ESS") on NFGSC to the Company's ESS account, provided that the Supplier has met its ESS end of the month target during the month of such deficiency and the transfer transaction results in an inventory balance above the end of the month target. Further, the Supplier will be responsible for reimbursing the Company for any NFGSC trading fees as well as the applicable shrinkage and commodity transportation and storage withdrawal costs associated with the transfer of gas to the Company's ESS storage account.

T. CITY GATE BALANCING:

(1) Supplier Responsibility

City Gate balancing requirements shall be the responsibility the Supplier. If the Supplier is not the Customer hereunder, service under this Service Classification shall be contingent on the Company's receipt of the Supplier's signed acknowledgment of the rules and regulations governing City Gate balancing as set forth below.

(2) City Gate Balancing Services, Rules and Regulations

Receipt of natural gas under this Service Classification shall be limited to the DDQ for individual transportation service Customers or, in the case of aggregation, the ADDQ for all Customers in a STBA Group as provided in Service Classification No. 19. The Customer must deliver or cause to be delivered at the City Gate the DDQ for each day of the month, within the tolerance band described below.

a. Aggregated Customers

City Gate balancing requirements for Customers receiving aggregation service are governing by the Rules and Regulations set forth in Service Classification No. 19.

b. Non-aggregated Customers

The DDQ shall be the amount forecasted to be consumed by the Customer. The Company may reject nominations in excess of two times the current daily average delivered volume, as calculated in compliance with the Company's operating procedures. An explanation of the Company's operating procedures with respect to this balancing requirement will be served on the Supplier upon request. The tolerance band may be

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(Name of Officer, Title, Address)