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PSC NO: 9 GAS SECTION: 13 LEAF: 3
NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 05/31/2016 SUPERSEDING REVISION:

SERVICE CLASSIFICATION No. 13 (Cont'd)

DAILY METERED TRANSPORTATION (DMT) SERVICE - Cont'd

the volume of gas delivered, to the Company for the Customer's account during the day after adjustment for line losses is less than the total amount of gas consumed by the Customer each day. The rates set forth below shall be applied to the daily deficiency volume occurring during each day of the billing month.

If on any day a SC 13 Customer's/Marketer's deficiency exceeds 10% and the combined deficiency imbalance of all SC 13 Customers exceeds 10% below the initial deficiency tolerance band, the SC 13 Customer's/Marketer's deficiency in excess of 10% will be cashed-out according to the following price schedule:

10% to 15% at 110% of Index 15% to 20% at 115% of Index > than 20% at 140% of Index

(4) Month End Imbalance Cash Out

At the end of the month, a SC 13 Customer's/Marketer's Daily Surplus Imbalances and Daily Deficiency Imbalances that were not cashed-out will be summed into a net imbalance volume for the SC 13 Customer/Marketer. A Month End Deficiency Imbalance occurs when the net imbalance volume is a quantity less than zero (imbalance due to the Company) and a Month End Surplus Imbalance occurs when the net imbalance volume is a quantity greater than zero (imbalance due from the Company).

An SC 13 Customer/Marketer may exchange a month end Imbalance under its SC 13 Service Agreement as set forth in General Information Section 30.

Month End Surplus Imbalances and Month End Deficiency Imbalances not resolved via Exchange of Net Imbalances will be cashed-out as set forth in General Information Section 30.

(5) Index Price

The Index for the cash out of daily imbalances is the Daily Index set forth in General Information Section 29.

(6) Miscellaneous Surcharges

All gas delivered under this Service Classification shall be subject to surcharges, refunds or adjustments as set forth in General Information Section 38.B.(2).

(7) Discount for Business Development Rate Customers

Base rates applicable to Customers who have qualified for the Business Development Rate under SC 3 will be discounted as provided in General Information Section 38.A.

Issued by <u>C. M. Carlotti, President, 6363 Main Street, Williamsville, NY 14221</u> (Name of Officer, Title, Address)