

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

SECTION: 19 LEAF: 8  
REVISION: 0  
SUPERSEDING REVISION:

SERVICE CLASSIFICATION No. 19 (Cont'd)

SUPPLIER TRANSPORTATION, BALANCING AND AGGREGATION - Cont'd

- ii. Each April 1, the Company will compare the quantity of extreme day requirements to be served by pipeline capacity upstream of NFGSC for the past thirteen (13) months to identify the Peak Requirement Quantity ("PRQ"). Unless the Supplier elects to reduce its GITC, there shall be no reduction to the Supplier's GITC quantity if the PRQ exceeds the quantity of GITC provided by the Supplier, or if the decrease in PRQ is less than 500 Dth. Otherwise, the Supplier's GITC quantity will be reduced to the PRQ. In any case, if the Supplier's PRQ is zero (0) Dth, then the Supplier's GITC shall be reduced to zero (0) Dth. Additionally, if the Supplier has not maintained its GITC in whole or part, the Company will treat such event as a Supplier election to reduce its GITC and the Supplier's GITC shall be reduced by the quantity that was not maintained. For each Supplier reduction, the total quantity of GITC available to the system will be reduced in the same quantity as applicable to the Supplier.
  - iii. A Supplier may not transfer its GITC to another Supplier unless it accompanies the sale of its entire book of customers.
- d. Local Production
 

With respect to local production attached directly to the Company's system, 100% of the historical average daily production for the month will be accepted to meet the percentage of extreme peak day requirements. The quantity of local production available to replace pipeline capacity is independent of the GUTC and GITC quantities and may increase or decrease from year to year. Where the Company has more current information concerning production deliverability, it may apply the 100% factor to the resulting projection of average daily production for the month. As to such production, the following requirements apply:

  - i. While 100% 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.
  - ii. Except for volumes within a 5% tolerance band of the 100% level, in no event shall volumes under the 100% 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.
  - iii. Quality of such production shall meet the requirements applicable to transportation service under SC 13 and SC 18, as set forth in General Information Section 26.

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