

PSC NO: 8 GAS  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 6/1/14  
ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 13-G-0136 DATED 5/8/14.

LEAF: 147  
REVISION: 5  
SUPERSEDING REVISION: 4

#### GENERAL INFORMATION (Cont'd)

#### II. 40. System Performance Adjustment Mechanism

Pursuant to the Commission's Order in Case 13-G-0136 issued and effective May 8, 2014 the Company shall recover or refund a System Performance Adjustment Mechanism (SPAM) from sales and transportation customers as follows:

The Company shall recover or refund gas costs for actual LAUF greater or lesser than the tariff factor of adjustment within a dead band. The factor of adjustment is 2.07% based on a sales method of calculation. The dead band limits are 1.50% and 2.63%.

The rates for service rendered pursuant to SC1, SC 2, SC 2A, SC 3, SC 4, SC 5, SC 6, SC 7, SC 8, SC 9, SC 13 D, SC 13M, SC 22, SC 23 and SC 24 shall be subject to a monthly SPAM charge computed as follows:

(1) Rate

The rate will be calculated in compliance with the Commission Order in Case 13-G-0136. The amount will be divided by the Company's forecast for transportation and sales customers for the above service classes.

(2) Determination Period

The determination period to be used in the computation of the surcharge or refund shall be the 12 months ended August 31 of each year. The initial period shall be the 12 months ended August 31, 2014.

(3) Effective date of the surcharge or refund.

The initial surcharge or refund shall be effective on and after January 1, 2015. Subsequent filings will be effective on January 1, of each year .

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