

National Fuel Gas Supply Corporation

LONG TERM FIRM TRANSPORTATION (FT) CAPACITY

NOTICE OF TERMINATION OF AGREEMENT SUBJECT TO RIGHT OF FIRST REFUSAL

National Fuel Gas Supply Corporation ("National Fuel") is pleased to announce a Firm Transportation ("FT") capacity offering. This offering is for 2,000 dth/day of FT capacity as detailed below. The terminating agreement associated with this offer has a term set to expire June 15, 2016 and is available to interested bidders subject to the Right of First Refusal ("ROFR") provisions in Section 11 of the General Terms and Conditions of NFGSC's FERC Gas Tariff.

AVAILABLE CAPACITY: 2,000 Dth/day

OFFERING TIME FRAME:

July 2, 2015 until 11:00 a.m. (Eastern Time) on July 16, 2015.

TERM: Commencing June 16, 2016; no minimum or maximum term requirement.

RATE INFORMATION:

Bids will be accepted under National Fuel's FT rate schedule. The current applicable maximum tariff rates under the FT Rate Schedule are listed in the table below.

Maximum Rate	FT Rate Component
\$3.7805 per Dth/day	Reservation Charge (monthly, applied to contract MDTQ)
\$0.0135 per Dth/day	Commodity Charge (daily, applied to Dth quantity transported)
\$0.0014 per Dth/day	Applicable FERC ACA Commodity Surcharge, Rate Shown effective October1, 2014 (daily, applied to Dth quantity transported)
\$0.1378 per Dth	100% Load Factor Rate (Excluding surcharges and applicable Fuel & Company Use/LAUF)
0.96%	Current, Transportation Fuel & Company Use/LAUF

FUEL AND LOSS ALLOWANCES:

Transportation Fuel and Company Use Retention and Transportation LAUF Retention ("Transportation Fuel/LAUF"), currently .96%, is subject to change under National's GT&C Section 41 tariff sheets.

CURRENT PRIMARY RECEIPT POINTS:

POINT NAME	METER ID	CAPACITY (DTH/DAY)
Nashville-NFGDC	NASH-NFGDC	2,000

CURRENT PRIMARY DELIVERY POINT:

POINT NAME	METER ID	CAPACITY DTH/DAY)
National Fuel Gas Distribution Corp. New York City Gate	NFGDC-NY	2,000

BID FORMAT AND AWARD PROCESS:

During the posting period, National will accept requests for the FT capacity as outlined above. Requests for rate discounts will not be considered during this offering. Shippers may request all or part of the available capacity, and are allowed to revise their bids within the posting period. All acceptable requests will be ranked and the best bid(s) determined based on the highest net present value (NPV) of the reservation charge revenues, per unit of capacity (Dth/day) requested. The NPV calculation will incorporate length of contract term and will utilize a monthly rate of 0.8% (9.6% annually) for discounting purposes. Upon receipt of National Fuel's notice of best bid, the original (terminating) shipper will have 15 business days to notify National Fuel whether it is willing to match all or a quantitative portion of the best bid. Capacity will be awarded to bidder(s) if the original (terminating) shipper does not exercise its ROFR rights with respect to all or a quantitative portion of the capacity. In the event that more than one shipper submits mutually exclusive requests that are equivalent in value and term that are not matched by the original Shipper, National Fuel will consider the bid submitted earliest in time to be the best bid. If the original shipper matches the best bid as to a portion of the capacity bid upon, National Fuel will tender a service agreement to the best bidder for the remainder of the capacity bid upon.

SERVICE AGREEMENTS:

Successful bidders will be required to execute and return service agreements within 10 business days after they are received.

CREDIT REQUIREMENTS:

Shippers will be required to demonstrate creditworthiness or provide a credit alternative acceptable to National Fuel.

BID PROCESS:

All requests must be submitted using a Service Request Form ("SRF"). Bidders may complete an SRF online or download the PDF version from the Forms section of our website at

<http://www.nationalfuelgas.com/supply/market/Forms/Forms.aspx>, or obtain one by contacting our Marketing Department at 716.857.7740. If not submitted online, the completed form can be, mailed or faxed to the address listed below:

<p>National Fuel Gas Supply Corporation 6363 Main Street Williamsville, NY 14221 PHONE: 716.857.7740 FAX 716.857.7310</p>	<p><u>National Fuel Marketing Representatives:</u> Terry Falsone – 716.857.7602 Joe Kolis – 716.857.7520 Anthony Limina – 716.857.7924</p>
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