

LANDOWNER'S RIGHTS

The Federal Energy Regulatory Commission ("FERC") requires National Fuel to provide a brief summary of your rights at FERC and in the proceedings under the eminent domain rules of your state. The following summaries should *not* be construed as legal advice, but only as brief descriptions for this limited purpose. If you have questions about your rights, you should discuss them with an attorney of your choice.

RIGHTS AT THE FEDERAL ENERGY REGULATORY COMMISSION

The FERC pamphlet, "An Interstate Natural Gas Facility On My Land? What Do I Need To Know?" explains FERC's approval process and your rights as an affected landowner. A landowner may become involved in the FERC review process in several ways. Any landowner who may be affected by a natural gas company's project may be able to view the full application at area libraries or may request his or her own copy of the application by contacting National Fuel directly. A landowner may submit written comments to FERC and/or intervene in National Fuel's docket at FERC while FERC is reviewing National Fuel's application. FERC addresses landowner comments in the environmental review documents, if any, or in the final order. In addition, FERC places commenters on a mailing list to receive any environmental documents related to the application. A landowner may intervene in the proceedings through a formal filing process. An "intervenor" receives copies of any documents pertaining to the case and has the opportunity to file briefs, appear at hearings, and appeal final FERC rulings to the courts. An intervenor must serve copies of anything he or she files on all other parties, a process that can be expensive and time consuming. If you have any more questions about your rights at FERC, you can access the pamphlet on the FERC website at www.FERC.gov or you can contact FERC's Office of External Affairs toll-free at 1 (866) 208-3372.

EMINENT DOMAIN GENERALLY

A natural gas company's right to use eminent domain to acquire a right-of-way or easement on a landowner's property for facilities to transport gas is a statutory right granted by Congress in Section 7(h) of the Natural Gas Act, and also arises under various state statutes. Congress has conferred the power of eminent domain on a natural gas company in cases where FERC finds that the company's proposal is required by the public convenience and necessity. Then, if the natural gas company cannot reach a negotiated agreement with the property owner, the company may exercise the right of eminent domain. This exercise involves condemnation proceedings where a court decides the appropriate compensation to be paid by the company to the landowner for the right-of-way or easement. It is National Fuel's policy to negotiate with landowners in good faith, in a fair and honest manner, to reach a mutually agreeable resolution of issues necessary to the acquisition of a right-of-way or easement. Where a mutually agreeable resolution is reached, the need for an eminent domain proceeding is avoided.

EMINENT DOMAIN LAW IN PENNSYLVANIA

Title 26 of Pennsylvania's Statutes, also known as the Eminent Domain Code, governs eminent domain proceedings in Pennsylvania courts. A landowner is entitled to just compensation for real property acquired under these procedures. The company

seeking to acquire a right-of-way or an easement by condemnation must give a written notice of the condemnation proceeding to the landowner including certain required information about the proceeding, an identification of the property, the purpose of the taking, and a statement of how just compensation has been made or secured. The landowner may file a preliminary objection to the declaration of taking within thirty days of service of the notice.

If just compensation, as estimated by the company, has not been paid to the landowner within sixty days from the filing of the declaration of taking, the landowner may grant the requested right-of-way or easement, following which the company must pay the landowner an amount representing the company's estimate of just compensation. By accepting such payment, the landowner does not waive its right to additional compensation if just compensation, as determined in a proceeding for determining damages, exceeds the company's estimate.

Either the landowner or the company can file a petition requesting the appointment of viewers to ascertain just compensation. If aggrieved by the decision of the viewers, either party may appeal to the court of common pleas. In the court proceeding, either party may assert the right to have the property viewed by the judge, or in the case of a jury trial, the judge and the jury.

Revised 5/12/2014 slj