

PSC NO: 8 GAS
 COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION
 INITIAL EFFECTIVE DATE: 12/1/2008

STATEMENT TYPE: RCC
 STATEMENT NO: 98

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT
 AND
 RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing December 1, 2008
 Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, 9 and Non-Large Industrial 13M and 13D
 NATIONAL FUEL GAS DISTRIBUTION CORPORATION
 P.S.C. No. 8 - GAS

	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand Cost (D=BxC)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.5569	\$6,363,664
NFGSC ESS Delivery Temperature Swing	101,477.0	1,217,724.0	2.1345	\$2,599,232
NFGSC ESS Capacity Temperature Swing	710,129.0	8,521,548.0	0.0432	\$368,131
NFGSC FSS Delivery Temperature Swing	10,666.0	127,992.0	2.1556	\$275,900
NFGSC FSS Capacity Temperature Swing	200,000.0	2,400,000.0	0.0432	\$103,680
NFGSC FSS Delivery Temperature Swing	13,460.0	161,520.0	2.1556	\$348,173
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0432	\$242,974
Central NY Oil & Gas	24,264.0	291,168.0	2.2500	\$655,128
Tennessee Lateral	24,000.0	288,000.0	1.3077	\$376,618
Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs				\$11,333,500
<u>Contingency Capacity</u>				
NFGSC EFT Capacity	31,664.0	379,968.0	3.5569	\$1,351,508
System Upstream Capacity	32,310.0	387,720.0	8.9600	\$3,473,971
Subtotal Contingency Capacity Costs				\$4,825,479
Grand Total Reserve Capacity Costs				\$16,158,979
Peaking to classes other than TC 4.0 - %				97.8043%
Peaking to classes other than TC 4.0 - \$				\$15,804,176
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				80,289,100
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.19684
Base Reserve Capacity Charge				\$0.18730
Reserve Capacity Cost Adjustment (\$/Mcf) (.19684-.18730)				\$0.00954
(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)				
DMT Factor				9.5784%
Non-Large Industrial SC 13D				\$0.00091

Date: November 26, 2008

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

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT
AND
RESERVE CAPACITY COST STATEMENTEffective With Usage During Billing Period Commencing December 1, 2008
Applicable to Usage Under Service Classification Nos. 13M and 13D TC 4.0
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
P.S.C. No. 8 - GAS

	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand Cost (D=BxC)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.5569	\$6,363,664
NFGSC ESS Delivery Temperature Swing	101,477.0	1,217,724.0	2.1345	\$2,599,232
NFGSC ESS Capacity Temperature Swing	710,129.0	8,521,548.0	0.0432	\$368,131
NFGSC FSS Delivery Temperature Swing	10,666.0	127,992.0	2.1556	\$275,900
NFGSC FSS Capacity Temperature Swing	200,000.0	2,400,000.0	0.0432	\$103,680
NFGSC FSS Delivery Temperature Swing	13,460.0	161,520.0	2.1556	\$348,173
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0432	\$242,974
Central NY Oil & Gas	24,264.0	291,168.0	2.2500	\$655,128
Tennessee Lateral	24,000.0	288,000.0	1.3077	\$376,618
Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs				\$11,333,500
<u>Contingency Capacity</u>				
NFGSC EFT Capacity	31,664.0	379,968.0	3.5569	\$1,351,508
System Upstream Capacity	32,310.0	387,720.0	8.9600	\$3,473,971
Subtotal Contingency Capacity Costs				\$4,825,479
Grand Total Reserve Capacity Costs				\$16,158,979
Peaking to TC 4.0 - %				2.1957%
Peaking to TC 4.0 - \$				\$354,803
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				9,105,449
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.03897
Base Reserve Capacity Charge				\$0.03419
Reserve Capacity Cost Adjustment (\$/Mcf) (.03897-.03419)				\$0.00478
(applicable to SC13M TC 4.0)				
DMT Factor				24.8258%
SC 13D TC 4.0				\$0.00119

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