Received: 01/29/2008 Status: CANCELLED Effective Date: 02/01/2008

PSC NO: 8 GAS

COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION

STATEMENT TYPE: DISS

STATEMENT NO: 127

INITIAL EFFECTIVE DATE: 2/1/2008

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STATEMENT OF DEFICIENCY IMBALANCE SALES SERVICE RATE

Effective With Usage During Billing Period Commencing February 1, 2008
Applicable to Billings Under Service Classification No. 11
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
P.S.C. No. 8 - GAS

Billing Rate	\$ per Ccf
Monthly Gas Cost	\$1.048555
Plus: Base Reserve Capacity Cost	\$0.018730
Plus: Delivery Adjustment Charge	\$0.025259
Rate for Delivery Deficiencies between 0 - 2% of total monthly throughput	\$1.092544
Seasonal Premium Factor (April - October)	125%
Rate for Delivery Deficiencies above 2% of total monthly throughput	\$1.365680

The rates listed above are in addition to the approriate transportation service rate charged to the customer for the volumes of gas purchased by the customer under this service classification.

Date: January 29, 2008

Issued by <u>R.J. Tanski, President, 6363 Main Street, Williamsville, NY</u> 14221 (Name of Officer, Title, Address)