PSC NO: 8 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION INITIAL EFFECTIVE DATE: 10/1/2006 STATEMENT TYPE: DAC STATEMENT NO: 54

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## STATEMENT OF DELIVERY ADJUSTMENT CHARGE (Issued Under Authority of 16 NYCRR Sec. 270.55)

Effective With Usage On and After October 1, 2006
Applicable to Billings Under Service Classification Nos. 1, 2, 3, 5, 7, 8 and 9
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
P.S.C. No. 8 - GAS

APPLICABLE SERVICE TERRITORY	¢ per Ccf All Territory
TAKE OR PAY RECOVERY Amount applicable during the period July1, 2006 through June 30, 2007 for Take or Pay Reconciliation pursuant to General Information Leaf No. 144 of P.S.C. No. 8 - Gas	(0.0030)
R & D FUNDING MECHANISM Amount applicable during the period January 1, 2006 through December 31, 2006 for R & D Funding Mechanism pursuant to Commission Order in Case 04-G-1047.	(0.3740)
TRANSITION COST SURCHARGE Intermediate Transition Cost Surcharge pursuant to General Information Leaf No. 148.2 applicable during the period October 1, 2006 through October 31, 2006.	0.2100
Upstream Transition Cost Surcharge pursuant to General Information Leaf No. 148.1 applicable during the period October 1, 2006 through October 31, 2006.	0.4960
RESERVE CAPACITY COST ADJUSTMENT Amount applicable to changes in reserve capacity costs as calculated in the attached Reserve Capacity Cost Adjustment Statement.	(0.0389)
LOST REVENUE ASSOCIATED WITH MFC AND BILLING CHARGE Amount applicable to loss revenue associated with the Merchant Function Charge and the Billing Charge.	0.0000
TOTAL DELIVERY COST ADJUSTMENT Commencing with the gas used on and after October 1, 2006 and thereafter until changed, the delivery cost adjustment will be.	0.2901

Date: September 28, 2006

Issued by R.J. Tanski, President, 6363 Main Street, Williamsville, NY 14221

(Name of Officer, Title, Address)