

PSC NO: 8 GAS  
 COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
 INITIAL EFFECTIVE DATE: 11/1/2006

STATEMENT TYPE: DG  
 STATEMENT NO: 38

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STATEMENT OF GAS COST FOR SERVICE CLASSIFICATION NOS. 23 AND 24 - DISTRIBUTED GENERATION

Effective With Usage During Billing Period Commencing November 1, 2006  
 NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
 P.S.C. No. 8 - GAS

Based on Gas Cost Rates in Effect November 1, 2006

Calculation of 70% Load Factor Monthly Gas Supply Charge in Volumetric Rate Structure	<u>SC 23</u>
1) Current Monthly Average Commodity Cost of Gas	\$0.80583 /Ccf
2) Current Monthly Average Demand Cost of Gas	\$0.11957 /Ccf
3) 70% Load Factor Demand Cost Multiplier	<u>0.60034</u>
4) Current Monthly 70% Load Factor Demand Cost Component	<u>\$0.07178</u> /Ccf
5) Total 70% Load Factor Monthly Gas Supply Charge	\$0.87761 /Ccf
6) Total Monthly Adjustments	<u>\$0.00989</u> /Ccf
7) Total 70% Load Factor Monthly Gas Supply Charge W/Adjustments	<u><u>\$0.88750</u></u> /Ccf

Calculation of Demand and Commodity Gas Costs in Demand Commodity Rate Structure

Calculation of Commodity Rate

1) Current Monthly Average Commodity Cost of Gas	\$0.80583 /Ccf
2) Total Monthly Adjustments	<u>\$0.00989</u> /Ccf
3) Total Commodity Cost of Gas	<u><u>\$0.81572</u></u> /Ccf

Calculation of Demand Rate

1) Current Monthly Average Demand Cost of Gas	\$0.11957 /Ccf
2) Demand Cost Multiplier	<u>12.78230</u>
3) Total Demand Cost of Gas	<u><u>\$1.52839</u></u> /Ccf MDDQ

Date: October 27, 2006

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

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## STATEMENT OF GAS COST FOR SERVICE CLASSIFICATION NOS. 23 AND 24 - DISTRIBUTED GENERATION

Effective With Usage During Billing Period Commencing November 1, 2006  
 NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
 P.S.C. No. 8 - GAS

Based on Gas Cost Rates in Effect November 1, 2006

Calculation of 50% Load Factor Monthly Gas Supply Charge in Volumetric Rate Structure		<u>SC 24</u>
1)	Current Monthly Average Commodity Cost of Gas	\$0.80583 /Ccf
2)	Current Monthly Average Demand Cost of Gas	\$0.11957 /Ccf
3)	50% Load Factor Demand Cost Multiplier	<u>0.59790</u>
4)	Current Monthly 50% Load Factor Demand Cost Component	<u>\$0.07149 /Ccf</u>
5)	Total 50% Load Factor Monthly Gas Supply Charge	\$0.87732 /Ccf
6)	Total Monthly Adjustments	<u>\$0.00989 /Ccf</u>
7)	Total 50% Load Factor Monthly Gas Supply Charge W/Adjustments	<u><u>\$0.88721 /Ccf</u></u>

Note: In Addition SC 23 and SC 24 are subject to the Delivery Adjustment Charge.

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