

PSC NO: 8 GAS
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 1/1/2007

STATEMENT TYPE: DG
STATEMENT NO: 40

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

Effective With Usage During Billing Period Commencing January 1, 2007
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
P.S.C. No. 8 - GAS

Based on Gas Cost Rates in Effect January 1, 2007

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	\$0.81097 /Ccf
2) Current Monthly Average Demand Cost of Gas	\$0.12442 /Ccf
3) 70% Load Factor Demand Cost Multiplier	<u>0.60034</u>
4) Current Monthly 70% Load Factor Demand Cost Component	<u>\$0.07470</u> /Ccf
5) Total 70% Load Factor Monthly Gas Supply Charge	\$0.88567 /Ccf
6) Total Monthly Adjustments	<u>\$0.03122</u> /Ccf
7) Total 70% Load Factor Monthly Gas Supply Charge W/Adjustments	<u><u>\$0.91688</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	\$0.81097 /Ccf
2) Total Monthly Adjustments	<u>\$0.03122</u> /Ccf
3) Total Commodity Cost of Gas	<u><u>\$0.84219</u></u> /Ccf

Calculation of Demand Rate

1) Current Monthly Average Demand Cost of Gas	\$0.12442 /Ccf
2) Demand Cost Multiplier	<u>12.78230</u>
3) Total Demand Cost of Gas	<u><u>\$1.59040</u></u> /Ccf MDDQ

Date: December 29, 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 January 1, 2007

NATIONAL FUEL GAS DISTRIBUTION CORPORATION

P.S.C. No. 8 - GAS

Based on Gas Cost Rates in Effect January 1, 2007

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	\$0.81097 /Ccf
2)	Current Monthly Average Demand Cost of Gas	\$0.12442 /Ccf
3)	50% Load Factor Demand Cost Multiplier	<u>0.59790</u>
4)	Current Monthly 50% Load Factor Demand Cost Component	<u>\$0.07439</u> /Ccf
5)	Total 50% Load Factor Monthly Gas Supply Charge	\$0.88536 /Ccf
6)	Total Monthly Adjustments	<u>\$0.03122</u> /Ccf
7)	Total 50% Load Factor Monthly Gas Supply Charge W/Adjustments	<u><u>\$0.91658</u></u> /Ccf

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

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