Received: 12/29/2006 Status: CANCELLED Effective Date: 01/01/2007

PSC NO: 8 GAS

COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION

STATEMENT TYPE: DISS

STATEMENT NO: 111

INITIAL EFFECTIVE DATE: 1/1/2007

Page 1 of 1

STATEMENT OF DEFICIENCY IMBALANCE SALES SERVICE RATE

Effective With Usage During Billing Period Commencing January 1, 2007
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	\$0.969548
Plus: Base Reserve Capacity Cost	\$0.014632
Plus: Delivery Adjustment Charge	\$0.002561
Rate for Delivery Deficiencies between	
0 - 2% of total monthly throughput	\$0.986741
Seasonal Premium Factor (April - October)	125%
Rate for Delivery Deficiencies above	
2% of total monthly throughput	\$1.233426

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: December 29, 2006

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