

PSC NO: 8 GAS  
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 4/1/2007

STATEMENT TYPE: RCC  
STATEMENT NO: 77

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT  
AND  
RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing April 1, 2007  
Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, 9 and Non-Large Industrial 13M and 13D9  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
P.S.C. No. 8 - GAS

	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand Cost (D=BxD)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	158,367.0	1,900,404.0	3.5569	\$6,759,547
NFGSC ESS Delivery Temperature Swing	110,761.0	1,329,132.0	2.1345	\$2,837,032
NFGSC ESS Capacity Temperature Swing	775,327.0	9,303,924.0	0.0432	\$401,930
NFGSC FSS Delivery Temperature Swing	24,086.0	289,032.0	2.1556	\$623,037
NFGSC FSS Capacity Temperature Swing	668,700.0	8,024,400.0	0.0432	\$346,654
Central NY Oil & Gas	24,264.0	291,168.0	2.2500	\$655,128
Tennessee Lateral	24,000.0	288,000.0	1.3077	\$376,618
Total Daily Temperature Swing/Peaking Reserve Capacity Costs				\$11,999,946
Peaking to classes other than TC 4.0 - %				95.359%
Peaking to classes other than TC 4.0 - \$				\$11,443,029
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				83,927,152
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.13634
Base Reserve Capacity Charge				\$0.14632
<b>Reserve Capacity Cost Adjustment (\$/Mcf) (.13634-.14632)</b>				<b>(\$0.00998)</b>
<b>(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)</b>				
DMT Factor				10.770%
<b>Non-Large Industrial SC 13D</b>				<b>(\$0.00107)</b>

Date: March 29, 2007

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

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT  
AND  
RESERVE CAPACITY COST STATEMENTEffective With Usage During Billing Period Commencing April 1, 2007  
Applicable to Usage Under Service Classification Nos. 13M and 13D TC 4.0  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
P.S.C. No. 8 - GAS

	Total NY Monthly Capacity Dth (A)	Total NY Annual Capacity Dth (B)	Demand Rate Dth (C)	Total Demand Cost (D=BxD)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	158,367.0	1,900,404.0	3.5569	\$6,759,547
NFGSC ESS Delivery Temperature Swing	110,761.0	1,329,132.0	2.1345	\$2,837,032
NFGSC ESS Capacity Temperature Swing	775,327.0	9,303,924.0	0.0432	\$401,930
NFGSC FSS Delivery Temperature Swing	24,086.0	289,032.0	2.1556	\$623,037
NFGSC FSS Capacity Temperature Swing	668,700.0	8,024,400.0	0.0432	\$346,654
Central NY Oil & Gas	24,264.0	291,168.0	2.2500	\$655,128
Tennessee Lateral	24,000.0	288,000.0	1.3077	\$376,618
Total Daily Temperature Swing/Peaking Reserve Capacity Costs				\$11,999,946
Peaking to TC 4.0 - %				4.641%
Peaking to TC 4.0 - \$				\$556,917
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				9,388,599
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.05932
Base Reserve Capacity Charge				\$0.05332
<b>Reserve Capacity Cost Adjustment (\$/Mcf) (.05932-.05332)</b> <b>(applicable to SC13M TC 4.0)</b>				<b>\$0.00600</b>
DMT Factor				13.540%
<b>SC 13D TC 4.0</b>				<b>\$0.00081</b>

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