PSC NO: 8 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION INITIAL EFFECTIVE DATE: 10/1/05

STATEMENT TYPE: MFC STATEMENT NO: 4

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MERCHANT FUNCTION CHARGE

Effective With Usage During Billing Period Commencing October 1, 2005 Applicable to Billings Under Service Classification Nos. 1, 2, 2A, and 3 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

	Residential ¢ per Ccf	Non-Residential ¢ per Ccf
Monthly Gas Supply Charge	144.9209	144.9209
Merchant Function Charge Factor	2.7420%	0.3040%
Merchant Function Charge	3.9737	0.4406

Pursuant to the terms of the Settlement Agreement and Joint Proposal in Case 04-G-1047 the amount of the LIRA discount may be adjusted downward by the Company if it is anticipated that the amount of discount at forecast enrollment levels will cause the Company to exceed the \$5 million expense cap.

Date: September 28, 2005

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