

PSC NO: 8 GAS  
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 09/01/04

STATEMENT TYPE: DTR  
STATEMENT NO: 78

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STATEMENT OF DEMAND TRANSFER RECOVERY RATE

Effective With Usage During Billing Period Commencing September 1, 2004  
Applicable to Usage Under Service Classification No. 19  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
P.S.C. No. 8 - GAS

Pursuant to Service Classification No. 19 of National Fuel Gas Distribution Corporation's P.S.C. No. 8, storage gas transfer rate shall be the sum of

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|-----|--|----------------------|
| (1) | Weighted Average Commodity Cost of Gas injected during<br>The months of April though October | \$6.0803 /Mcf        |
| (2) | Demand Transfer Recovery Rate ("DTR rate") =   | <u>\$1.5200</u> /Mcf |
|     | Storage Gas Transfer Rate  | <u>\$7.6003</u> /Mcf |

Date: August 27, 2004

Issued by D.F. Smith, President, 6363 Main Street, Williamsville NY 14221  
(Name of Officer, Title, Address)