Effective Date: 09/01/2012

PSC NO: 8 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION INITIAL EFFECTIVE DATE: 9/1/2012

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing September 1, 2012 Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, 9 and Non-Large Industrial 13M and 13D NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

Daily Temperature Swing/Peaking Reserve Capacity Costs	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand <u>Cost</u> (D=BxC)
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.9617	\$7,087,893
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.5959	\$4,226,291
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0404	\$460,416
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.4826	\$399,798
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0381	\$214,290
NFGSC FSS Delivery Temperature Swing	0.0	0.0	0.0000	\$0
NFGSC FSS Capacity Temperature Swing	0.0	0.0	0.0000	\$0
Subtotal Daily Temperature Swing/Peaking				
Reserve Capacity Costs				\$12,388,688
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.9617	\$1,505,319
System Upstream Capacity	32,310.0	387,720.0	10.7714	\$4,176,287
Subtotal Contigencey Capacity Costs				\$5,681,606
Grand Total Reserve Capacity Costs				\$18,070,294
Peaking to classes other than TC 4.0 - %				97.8043%
Peaking to classes other than TC 4.0 - \$				\$17,673,525
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				77,913,902
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.22683
Base Reserve Capacity Charge				\$0.18730
Reserve Capacity Cost Adjustment (\$/Mcf) (.2268318730)				\$0.03953
(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)				\$0.05755
DMT Factor				9.5784%
				2.270470
Non-Large Industrial SC 13D				\$0.00379

Date: August 29, 2012

Issued by <u>A.M. Cellino, President, 6363 Main Street, Williamsville, NY 14221</u> (Name of Officer, Title, Address) STATEMENT TYPE: RCC STATEMENT NO: 143 Page 2 of 2

RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing September 1, 2012 Applicable to Usage Under Service Classification Nos. 13M and 13D TC 4.0 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

Daily Temperature Swing/Peaking Reserve Capacity Costs	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand <u>Cost</u> (D=BxC)
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.9617	\$7,087,893
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.5959	\$4,226,291
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0404	\$460,416
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.4826	\$399,798
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0381	\$214,290
Subtotal Daily Temperature Swing/Peaking	100,70010	0,021,10010	010001	<i>\\</i>
Reserve Capacity Costs				\$12,388,688
Reserve cupacity costs				\$12,000,000
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.9617	\$1,505,319
System Upstream Capacity	32,310.0	387,720.0	10.7714	\$4,176,287
Subtotal Contigencey Capacity Costs	,			\$5,681,606
Suctour conligence, capacity costs				\$2,001,000
Grand Total Reserve Capacity Costs				\$18,070,294
Peaking to TC 4.0 - %				2.1957%
Peaking to TC 4.0 - \$				\$396,769
, and the second s				
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				7,585,414
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.05231
Base Reserve Capacity Charge				\$0.03419
Reserve Capacity Cost Adjustment (\$/Mcf) (.0523103419)				\$0.01812
(applicable to SC13M TC 4.0)				
DMT Factor				24.8258%
SC 13D TC 4.0				\$0.00450

Date: August 29, 2012

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