Received: 05/27/2011

Status: CANCELLED Effective Date: 06/01/2011

PSC NO: 8 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION

INITIAL EFFECTIVE DATE: 6/1/2011

STATEMENT TYPE: RCC STATEMENT NO: 128

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing June 1, 2011 $Applicable\ to\ Usage\ Under\ Service\ Classification\ Nos.\ 1,2,3,5,7,8,9\ \ and\ Non-Large\ Industrial\ 13M\ and\ 13D$ NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

Daily Temperature Swing/Peaking Reserve	Total NY Monthly Capacity Dth	Total NY Annual Capacity Dth	Demand Rate Dth	Total Demand Cost
Capacity Costs	(A)	(B)	(C)	(D=BxC)
	. ,	` ,	. ,	, ,
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.5545	\$6,359,370
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.1345	\$3,475,103
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0432	\$492,327
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.1556	\$347,138
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0432	\$242,974
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				\$10,916,912
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.5545	\$1,350,596
System Upstream Capacity	32,310.0	387,720.0	13.0811	\$5,071,804
Subtotal Contigencey Capacity Costs				\$6,422,400
Grand Total Reserve Capacity Costs				\$17,339,312
D. L				07.00420
Peaking to classes other than TC 4.0 - %				97.8043%
Peaking to classes other than TC 4.0 - \$				\$16,958,593
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				79,556,596
Aggregation volumes (MCI)				79,550,590
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.21316
Base Reserve Capacity Charge				\$0.18730
Reserve Capacity Cost Adjustment (\$/Mcf) (.1963618730)				\$0.02586
(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)				
DMT Factor				9.5784%
Non-Large Industrial SC 13D				\$0.00248

Date: May 27, 2011

Issued by A.M. Cellino, President, 6363 Main Street, Williamsville, NY 14221 (Name of Officer, Title, Address)

Received: 05/27/2011 Status: CANCELLED Effective Date: 06/01/2011

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT ${\rm AND}$ RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing June 1, 2011
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 Cost (D=BxC)
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.5545	\$6,359,370
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.1345	\$3,475,103
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0432	\$492,327
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.1556	\$347,138
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0432	\$242,974
Subtotal Daily Temperature Swing/Peaking	400,700.0	3,024,400.0	0.0432	Ψ2-12,77-1
Reserve Capacity Costs				\$10,916,912
reserve cupucky costs				ψ10,>10,>12
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.5545	\$1,350,596
System Upstream Capacity	32,310.0	387,720.0	13.0811	\$5,071,804
Subtotal Contigencey Capacity Costs	,,		_	\$6,422,400
Grand Total Reserve Capacity Costs				\$17,339,312
Peaking to TC 4.0 - %				2.1957%
Peaking to TC 4.0 - \$				\$380,719
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				7,578,474
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.05024
Base Reserve Capacity Charge				\$0.03419
Reserve Capacity Cost Adjustment (\$/Mcf) (.0462803419)				\$0.01605
(applicable to SC13M TC 4.0)				
DMT Factor				24.8258%
SC 13D TC 4.0				\$0.00398

Date: May 27, 2011