

PSC NO: 8 GAS  
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE D: 10/1/2010

STATEMENT TYPE: CIP  
STATEMENT NO: 7

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# STATEMENT OF CONSERVATION INCENTIVE PROGRAMS COST RECOVERY

Effective With Usage During Billing Period Commencing October 1, 2010  
Applicable to Usage Under Service Classification Nos. 1, 2, 2A, 2B, 3, 5, 7, 8, 9, 13D, 13M, 23 and 24  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
P.S.C. No. 8 - GAS

Pursuant to Tariff Leaf No. 148.9 PSC No. 8 GAS the following rates will be in effect to recover cost associated with the Company's Conservation Incentive Programs ("CIPs")

## 1. Monthly surcharge recovered in the Delivery Adjustment Charge of SC 1, SC 2, SC 2A, SC 3, SC 5, SC 7, SC 8, and SC 9

a.) To recover annual amount of \$10,290,000 Reconciliation for TME 12/31/09 applicable 3/1/10 - 2/28/11				\$0.015784 per Ccf (\$0.001720) per Ccf
b.) To recover \$56,329 of CIP costs through 12/31/10 associated with the commercial and industrial new construction program				\$0.000116 per Ccf
c.) To recover cost through 12/31/10 associated with the following programs as approved by Commission in Case 07-M-0548 issued January 4, 2010.				
High Performance with Energy Star Program	\$1,112,377	\$0.003288	per Ccf	
New York Energy Star Homes	\$819,646	\$0.002423	per Ccf	
Assisted Home Performance with Energy Star Program	\$325,688	\$0.000963	per Ccf	
EmPower New York	\$325,688	\$0.000963	per Ccf	
d.) To recover cost through 12/31/10 associated with the following programs as approved by Commission in Case 07-M-0548 issued June 24, 2010.				
EmPower New York	\$86,683	\$0.000548	per Ccf	

**Grand Total recovered in Delivery Adjustment Charge** **\$0.022365** per Ccf

## 2. Monthly surcharge recovered from SC 13M and SC 13D

	TC 1.1 \$/Mcf	TC 2.0 \$/Mcf	TC 3.0 \$/Mcf	TC 4.0 \$/Mcf	TC 4.1 \$/Mcf
Multi Family annual - \$1,326,620	\$0.079570	\$0.079570	\$0.079570	\$0.000000	\$0.079570
Low Income Multi Family quarter ending 12/31/10 - \$276,868	\$0.068590	\$0.068590	\$0.068590	\$0.000000	\$0.068590
Commer. & Industrial annual - \$684,135	\$0.030870	\$0.030870	\$0.030870	\$0.030870	\$0.030870
Commer. & Indus. New Construction recovered through 12/31/10 - \$56,329	\$0.001160	\$0.001160	\$0.001160	\$0.001160	\$0.001160
Agriculture Energy Efficiency quarter ending 12/31/10 - \$17,512	\$0.003080	\$0.003080	\$0.003080	\$0.003080	\$0.003080
Industrial & Process Efficiency quarter ending 12/31/10 - \$202,731	\$0.035630	\$0.035630	\$0.035630	\$0.035630	\$0.035630
Flex Tech quarter ending 12/31/10 - \$27,115	\$0.004770	\$0.004770	\$0.004770	\$0.004770	\$0.004770
<b>Grand Total recovered in SC 13M &amp; SC 13D rates</b>	<u><b>\$0.223670</b></u>	<u><b>\$0.223670</b></u>	<u><b>\$0.223670</b></u>	<u><b>\$0.075510</b></u>	<u><b>\$0.223670</b></u>

Date: September 28, 2010

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