Received: 12/29/2009 Status: CANCELLED Effective Date: 01/01/2010

PSC NO: 8 GAS STATEMENT TYPE: RCC COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION STATEMENT NO: 111

INITIAL EFFECTIVE DATE: 1/1/2010

Page 1 of 2

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

Effective With Usage During Billing Period Commencing January 1, 2010

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

	Total NY Monthly Capacity	Total NY Annual Capacity	Demand Rate	Total Demand
Daily Temperature Swing/Peaking Reserve	<u>Dth</u>	<u>Dth</u>	<u>Dth</u>	Cost
Capacity Costs	(A)	(B)	(C)	(D=BxC)
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.5570	\$6,363,843
NFGSC ESS Delivery Temperature Swing	124,966.0	1,499,592.0	2.1345	\$3,200,879
NFGSC ESS Capacity Temperature Swing	874,762.0	10,497,144.0	0.0432	\$453,477
NFGSC FSS Delivery Temperature Swing	10,666.0	127,992.0	2.1556	\$275,900
NFGSC FSS Capacity Temperature Swing	200,000.0	2,400,000.0	0.0432	\$103,680
NFGSC FSS Delivery Temperature Swing	13,460.0	161,520.0	2.1556	\$348,173
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0432	\$242,974
Subtotal Daily Temperature Swing/Peaking				
Reserve Capacity Costs				\$10,988,926
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.5570	\$1,351,546
System Upstream Capacity	32,310.0	387,720.0	8.9600	\$3,473,971
Subtotal Contigencey Capacity Costs				\$4,825,517
Grand Total Reserve Capacity Costs				\$15,814,443
Peaking to classes other than TC 4.0 - %				97.8043%
Peaking to classes other than TC 4.0 - \$				\$15,467,205
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				79,779,145
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.19388
Base Reserve Capacity Charge				\$0.18730
Reserve Capacity Cost Adjustment (\$/Mcf) (.1938818730)				\$0.00658
(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)				
DMT Factor				9.5784%
Non-Large Industrial SC 13D				\$0.00063

Date: December 29, 2009

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

Received: 12/29/2009 Status: CANCELLED Effective Date: 01/01/2010

Page 2 of 2

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

Effective With Usage During Billing Period Commencing January 1, 2010 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 NFGSC ESS Delivery Temperature Swing NFGSC ESS Capacity Temperature Swing NFGSC FSS Delivery Temperature Swing NFGSC FSS Capacity Temperature Swing	149,092.0 124,966.0 874,762.0 10,666.0 200,000.0	1,789,104.0 1,499,592.0 10,497,144.0 127,992.0 2,400,000.0	3.5570 2.1345 0.0432 2.1556 0.0432	\$6,363,843 \$3,200,879 \$453,477 \$275,900 \$103,680
NFGSC FSS Delivery Temperature Swing NFGSC FSS Capacity Temperature Swing Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs	13,460.0 468,700.0	161,520.0 5,624,400.0	2.1556 0.0432	\$348,173 \$242,974 \$10,988,926
Contingency Capacity NFGSC EFT Capacity System Upstream Capacity Subtotal Contigencey Capacity Costs	31,664.0 32,310.0	379,968.0 387,720.0	3.5570 8.9600	\$1,351,546 \$3,473,971 \$4,825,517
Grand Total Reserve Capacity Costs				\$15,814,443
Peaking to TC 4.0 - % Peaking to TC 4.0 - \$				2.1957% \$347,238
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				7,700,472
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf Base Reserve Capacity Charge Reserve Capacity Cost Adjustment (\$/Mcf) (.0450903419) (applicable to SC13M TC 4.0)				\$0.04509 \$0.03419 \$0.01090
DMT Factor SC 13D TC 4.0				24.8258% \$0.00271

Date: December 29, 2009

 $\label{eq:a.m.condition} Issued by \ \underline{A.M. Cellino, President, 6363 \ Main Street, Williamsville, NY \ 14221}$ (Name of Officer, Title, Address)