..DID: 18399 ..TXT: PSC NO: 8 GAS STATEMENT TYPE: RCC COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION STATEMENT NO: 16 INITIAL EFFECTIVE DATE: 03/01/02 STAMPS: Cancelled by Statement RCC Number 17 Effective 04/01/2002 RECEIVED: 02/26/02 STATUS: Cancelled EFFECTIVE: 03/01/02 Page 1 of 1

RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing March 1, 2002 Applicable to Usage Under Service Classification Nos. 13D and 13M 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)	March 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	111,844.0 84,980.0 3,994,060.0	1,342,128.0 1,019,760.0 47,928,720.0	\$3.5957 \$2.1345 \$0.0432	\$4,825,890 \$2,176,678 \$2,070,521
Engage Empire Peaking Total Daily Temperature Swing/Peaking Reserve Capacity Costs	27,412.0 27,412.0	328,944.0 328,944.0	\$5.0167 \$0.7694	\$1,650,213 <u>\$253,090</u> \$10,976,392
Total Annual Sales Volumes (Mcf)				77,422,675
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.1418
Less: Storage and Capacity Costs Recovered through SC 13M Rates				<u>\$0.0928</u>
Reserve Capacity Cost Charge (RCC/Mcf)				<u>\$0.0490</u>

Date: February 26, 2002

Issued by <u>D.F. Smith, President, 10 Lafayette Square, Buffalo NY 14203</u> (Name of Officer, Title, Address)