

PSC NO: 8 GAS
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE:10/01/04

LEAF: 141
REVISION: 4
SUPERSEDING REVISION: 3

GENERAL INFORMATION (Cont'd)

II. CONTINUED

36. WEATHER NORMALIZATION ADJUSTMENT

The rates for gas service to all customers under Service Classification Nos. 1, 2, 3, 4, 5, 8, 13D TC-1.0, 13M TC-1.0, and 20 shall be subject to a Weather Normalization Adjustment to reflect the impact of degree day variations from normal levels, as determined on a revenue month basis, for the months of October through May, inclusive.

The weather normalization adjustment will only be billed if the variance from normal weather exceeds one-half standard deviation as computed by the Company. This adjustment will be made to normal weather for billing purposes.

The monthly volume deviation shall be computed for each billing period for which adjustment is made using the formula described below. The weather adjustment is made by adding to or subtracting from the customer's bill the amount determined by multiplying the customer's consumption during the billing period by the weather adjustment factor.

$$WA = \frac{(R * DDF * (NDD - ADD))}{(BL + (DDF * ADD))}$$

where, WA = Weather adjustment factor, \$/Mcf
 DDF = Average degree day factor, Mcf/degree-day
 BL = Average base load, Mcf
 ADD = Actual degree days for the billing period
 NDD = Normal degree days for the billing period
 R = Tailblock margin by service class

<u>MONTH</u>	<u>DEGREE DAY FACTOR</u>
--------------	--------------------------

OCTOBER	.011580
NOVEMBER	.013219
DECEMBER	.014587
JANUARY	.015373
FEBRUARY	.015714
MARCH	.016060
APRIL	.015187
MAY	.013050

<u>Service Classification</u>	<u>Average Baseload, BL</u>
All Applicable	2.719

Issued by D. F. Smith, President, 6363 Main Street, Williamsville, NY 14221
(Name of Officer, Title, Address)