Received: 01/05/1998 Status: CANCELLED Effective Date: 04/01/1998

..DID: 2185

..TXT: PSC NO: 8 GAS LEAF: 75

COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 04/01/98 SUPERSEDING REVISION:

STAMPS:

Cancelled by 1 Rev. Leaf No. 75 Effective 08/01/1998

RECEIVED: 01/05/98 STATUS: Cancelled EFFECTIVE: 04/01/98

GENERAL INFORMATION (Cont*d)

II. 19.b. CONTINUED

The Base Cost of Gas per 100 cubic feet included in the base rates of Service Classification No. 7 is 100% load factor base cost of gas of 22.6494 cents (as calculated based on the Service Classification No. 5 rate and the Base Cost of CHAINMACRO(as established in Case 95-G-1009).

The Base Cost of Gas per 100 cubic feet included in the base rates of Service Classification No. 8 is divided into seasonal components. The Base Cost of Gas per 100 cubic feet included in the base rates of Service Classification No. 8 for all consumption during May, June, July, August, and September is equal to the commodity Base Cost of Gas of 15.3045 cents (as established in Case 95-G-1009). The Base Cost of Gas per 100 cubic feet included in the base rates of Service Classification No. 8 for all other months is 30.6787 cents.

The Base Cost of Gas per 100 cubic feet included in the base rates of Service Classification No. 9 is the 85% load factor base cost of gas of 24.4912 cents (as calculated based on the Service Classification No. 5 rate and the Base Cost of Gas established in Case 95-G-1009).

c. Average Cost of Gas

- (1) For gas costs incurred to serve customers other than FPO customers, the Average Cost of Gas shall be computed monthly for the twelve successive months immediately preceding the date of computation by dividing the result of applying the rates and charges of the Company's gas suppliers or transporters as adjusted for the rates applicable to FPO Gas Adjustment customers, which are or will be in effect as of the date the gas adjustment becomes effective, to the respective annual quantities of purchased gas taken from each supplier or transported by each transporter, exclusive of gas purchases for off-system sales and exclusive of gas purchases for sale under Service Classification Nos. 4, 10, 11, 12, and 14, by the related quantity of gas purchased during such twelve month period, except as may be modified in Section II.19.c.(3) below or by Commission Order.
- (2) The Average Cost of Gas for FPO customers shall be computed for the billing period December April by dividing the result of applying the weighted average fixed commodity rates for the calendar period November through March and the other rates and charges of the Company*s gas suppliers or transporters, which are or will be in effect as of the date the gas adjustment becomes effective, to the respective annual quantities of purchased gas assumed to be taken from each supplier or transported by each transporter based upon the normalized twelve month volumes as allowed in Case 95-G-1009, exclusive of gas purchases for off-system sales and exclusive of gas purchases for sales under Service Classification Nos. 4, 10, 11, 12 and 14, by the related quantity of gas purchased during such twelve month period, except as may be modified in Section II.19.c.(3) below or by Commission Order. The "weighted average fixed commodity rate" as used herein,

Issued by <u>P.C. Ackerman, President, 10 Lafayette Square, Buffalo NY 14203</u> (Name of Officer, Title, Address))