

..DID: 19328

..TXT:

NATIONAL FUEL GAS DISTRIBUTION CORPORATION

10 Lafayette Square

Buffalo, NY 14203

June 7, 2002

Hon. Janet H. Deixler
Secretary
Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case 00-M-0504 - Provider of Last Resort - Unbundling Track
Compliance Filing of National Fuel Gas Distribution Corporation

Dear Secretary Deixler:

National Fuel Gas Distribution Corporation ("Distribution" or the "Company ") submits the following amendments to its tariff, P.S.C. No. 8 - GAS:

Leaf No. 270	Revision 6
Leaf No. 270.1	Revision 0

The above tariff charges are issued as of the date hereof for an effective date of June 9, 2002. The Company requests that the tariff leaves become effective on "short notice" in order to comply with Commission's Order Concerning ESCO Deposits and Prepayments issued in the above-referenced case on May 9, 2002 ("Order").

In compliance with the Order, the Company has modified Service Classification No. 19, Supplier Transportation, Balancing and Aggregation Service ("SC 19") that marketers/ESCOs utilize to qualify as suppliers to small volume transportation customers. The Company has added two new sections to the Special Provisions of SC 19.

The first new section (Section 24) requires, among other things, that marketers/ESCOs file with the Commission and the Company all forms of contracts that the marketer/ESCO utilizes to enroll customers under SC 19. The marketer/ESCO must also identify whether the contract permits or requires a customer deposit or prepayment.

The second new section (Section 25) codifies within the tariff the financial requirements specified in the Order that will permit marketers/ESCOs to accept customer deposits and prepayments.

- 2 -

The tariff changes also include provisions whereby failure to comply with the Commission's prepayment deposit requirements on the part of the marketer will lead, upon the Commission's Order, to marketer/ESCO termination from SC 19 service.

Changes to the Company's Gas Transportation Operating Procedures ("GTOP") manual, incorporating the changes specified in this filing will also be made. The Company will communicate these changes to qualified marketers through its website and target implementation of these requirements 60 days after the modification to the GTOP manual. To the extent permissible, however, the Company will implement these changes prior to that time in conformance with the tariff.

Newspaper Publication

Pursuant to ordering paragraph no. 2 of the Order, the requirement of Section 66(12) of the Public Service Law as to newspaper publication has been waived.

Company Contacts

For questions relating to this filing, please contact the undersigned or Eric Meinel at (716) 857-7000.

Respectfully submitted,

Michael W. Reville