

..DID: 5102

..TXT:

National Fuel Gas Distribution Corporation
10 Lafayette Square
Buffalo, NY 14203

September 3, 1998

Hon. John C. Crary, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223

Dear Secretary Crary:

Enclosed is an electronic copy of Statement No. 3 of the Statement of Effective Revenue Tax Surcharge Adjustment, applicable to all Service Classifications of our Rate Schedule P.S.C. No. 8 - Gas. The Revenue Tax Surcharge Adjustment Statement RTS - 3 bears an issue date of September 3, 1998 and an effective date of October 5, 1998 for the first billing control in the revenue month of October 1998.

This statement is being filed pursuant to General Information Rule 35.

Statement No. 3 reflects the decrease of Gross Income Tax (Sec. 186-a) from 3.50% to 3.25% pursuant to the Commission's order in Case 98-M-0489 issued on August 6, 1998. A hard copy of the supporting workpapers will be submitted in mail.

Very truly yours,

Ronald J. Grabowski
General Manager, Valuation

Encl.