

..DID: 21711

..TXT:

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

February 26, 2003

Hon. Janet H. Deixler, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Deixler:

Enclosed is an electronic version of Monthly Gas Supply Charge Statement No. 11 applicable to Service Classification Nos. 1, 2, and 3, and Delivery Adjustment Charge Statement No. 11 applicable to Service Classification Nos. 1, 2, 3, 5, 7, 8, and 9 of our Rate Schedule P.S.C. No. 8 – Gas. The Monthly Gas Supply Charge Statement No. 11 and the Delivery Adjustment Charge Statement No. 11 will be effective commencing with gas used on or after March 1, 2003.

The estimated amount related to surcharges and credits included in Statements No. 11 is \$6,584,000 based on estimated March 2003 sales of 86,260,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$27,839,600 on a monthly basis.

The surcharge calculation for March 2003 Intermediate Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.1 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.0091 /Mcf is applicable for March 1, 2003 through March 31, 2003.

The Company's Revised 90/10 Symmetrical Sharing filing for the twelve months ended September 30, 2002 is included. The revised filing results in a unit surcharge of \$.0354/Mcf, a change of \$.0001/Mcf from the revised filing included in February 2003 .

The surcharge calculation for the Annual Reconciliation for the Research and Development Funding Mechanism pursuant to Commission Order in Case 99-G-1369 is included as a workpaper. The unit surcharge of \$0.0140/Mcf is applicable for the period March 1, 2003 through February 28, 2004.

In addition, Customer Balancing and Aggregation Statement No. 60, Deficiency Imbalance Sales Service Rate Statement No. 61, Demand Transfer Recovery Rate Statement No. 60, Gas Transportation Statement No.62, Natural Gas Vehicle Statement No. 61, Standby Sales Service Rate Statement No.61, Transportation Sales Service Rate Statement No.63, Revenue Credit Statement No. 54, Reserve Capacity Cost Statement No. 28, and Weather Normalization Clause Multipliers Statement No. 11 are included.

This statement is filed in compliance with 16 NYCRR, Section 270.55. Information pertaining to section 270.55d(7) will be delivered under separate cover letter.

In connection with this filing, the Company is also required to submit information that contains trade secrets. Accordingly, the Company has filed the required information with the Department Records Access Officer, together with a request for trade secret protection under the Commission's regulation. The instant filing includes redacted copies of the documents submitted to the Department Records Access Officer. The information for which trade secret protection has been requested is deleted. Copies of the same documents, with the redacted sections shaded (but legible) for identification, are being submitted to the Department Records Access Office under separate cover.

Very truly yours,

Eric H. Meinl
General Manager
Rates & Regulatory Affairs

Encl.