..DID: 13478 ..TXT:

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

October 27, 2000

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

RE: Compliance Filing Case No. 00-G-1495, November 2000 GAC Filing

Dear Secretary Deixler:

Enclosed is an electronic version of Gas Adjustment Statement No. 32 applicable to Service Classification Nos. 1, 2, 3, 5, 7, 8 and 9 of our Rate Schedule P.S.C. No. 8 - Gas. The Gas Adjustment Statement No. 32 will be effective commencing with gas used on or after November 1, 2000.

The estimated amount related to surcharges and credits included in Statement No. 32 is \$655,000 based on estimated November 2000 sales of 41,920,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is a decrease of \$10,252,700 on an annual basis.

The surcharge calculation for November 2000 Transition Cost Surcharge pursuant to General Leaf No. 148.2 of P.S.C. No 8 - Gas is included as a workpaper. The unit surcharge of \$0.1446 /Mcf is applicable for November 1, 2000 through November 30, 2000.

The Company's Off-System/Capacity Release/Service Class 11 filing pursuant to General Leaf No. 82 of P.S.C. No. 8 – Gas is enclosed to be refunded for the period November 1, 2000 through April 30, 2001.

In addition, Customer Balancing and Aggregation Statement No. 32, Deficiency Imbalance Sales Service Rate Statement No. 32, Demand Transfer Recovery Rate Statement No. 32, Gas Transportation Statement No. 33, Natural Gas Vehicle Statement No. 32, Standby Sales Service Rate Statement No. 32, Transportation Sales Service Rate Statement No.34, Upstream Pipeline Weighted Average Capacity Cost Statement No. 32, Revenue Credit Statement No. 25, and Standby Capacity Insurance Rate Statement No. 13 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.

On October 23, 2000 the Commission's Order issued in Case No. 00-G-1495 directed the Company to file tariff amendments consistent with the Order based upon the settlement agreement. There are no tariff changes required as part of this compliance filing. The amount of bill credits agreed to in the settlement are handled through the Company's Statement of Revenue Credits which show the rate reduction applied to the stated service classifications. This statement is in compliance with the filing requirements of the Commission's October 23, 2000 Order.

All bill credit reductions are included in the Company's November 2000 GAC filing. The Statements affected are Revenue Credit Statement No. 25 and Gas Transportation Statement No. 33. The rate reduction is a combination of bill credits and HEICA credits agreed to in the settlement.

A copy of this letter will be mailed to all active parties in Case 00-G-1495.

The Company will publish notice of the changes proposed in this Compliance Filing in accordance with the requirements set forth in Public Service Law section 66 (12) (b).

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,

Ronald J. Grabowski General Manager Rates & Regulatory Affairs

Encl.